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The Canadian Bureaucracy

TAYLOR COLE

The Canadian Bureaucracy

A STUDY OF
CANADIAN CIVIL SERVANTS
AND OTHER PUBLIC EMPLOYEES
1939-1947

DUKE UNIVERSITY PRESS · DURHAM, N. C. · 1949

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PRINTED IN THE UNITED STATES OF AMERICA
BY THE SEEMAN PRINTERY, INC., DURHAM, N. C.

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To

My Mother

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Preface

THIS WORK was originally planned and begun prior to Pearl Harbor as a study of the wartime impacts upon the Canadian bureaucracy. The actual field research could not be undertaken until 1946-1947, and the scope and coverage of the project was accordingly extended to include the period of postwar demobilization and reconversion. Although the manuscript was completed and has been in press since early 1948, an effort has been made to include certain of the major changes involving Canadian public personnel during 1948.

The lack of secondary sources, such as studies of administrative developments in the individual provinces and of administrative departments in Ottawa, has been a limiting factor. In addition, there have been no adequate sociological examinations of such matters as the social and educational background of Canadian civil servants, the role of religion in the Canadian public service, or morale and prestige factors. Fortunately, the historical development of the Dominion bureaucracy and many of its problems have been covered in the able studies of Professor R. MacGregor Dawson, beginning with his *The Civil Service of Canada* in 1929. These considerations will help explain the heavy emphasis placed upon field research in the preparation of this book and will, at the same time, furnish some added justification for its restricted scope.

Two explanations should be made. The term "bureaucracy," as included in the title of this book, is not used with invidious connotations but rather in the sense, and for the reasons, indicated in Chapter I. The references throughout to the Canadian House of Commons *Debates* for the years 1947-1948 are to the daily uncorrected editions.

For assistance in this undertaking, my primary indebtedness is to the Guggenheim Foundation for two generous awards

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which permitted me to do the required field research in Canada in 1946-1947. In addition, I wish particularly to thank Henry Allen Moe, the Secretary-General of the Guggenheim Foundation, for postponing a fellowship several years and for his personal assistance. Professor E. J. Hamilton, then of Duke University, originally helped me to secure the financial aid needed to undertake the field investigation in Canada. I also desire to express my appreciation to the Duke University Research Council for its continued support.

My obligations in Canada are unusually heavy. Professor F. R. Scott of McGill University gave me a basic introduction into Canadian public law. Professor R. MacGregor Dawson of the University of Toronto and Dr. Eugene A. Forsey, Research Director of the Canadian Congress of Labour, read the original draft of the manuscript in its entirety and saved me from numerous errors of fact and judgment. Dr. Forsey was helpful in other ways. Dean W. A. Mackintosh and Professor J. A. Corry of Queens University were generous with their assistance and advice. Mary Jane Henderson, Librarian of the Sun Life Assurance Company in Montreal, made available her extensive knowledge of Canadian bibliography. C. J. Oates and D. C. Munroe, present and past Presidents of the Canadian Teachers' Federation, read the chapter on Canadian public-school teachers and made several valuable suggestions. None of these individuals are responsible for any errors of fact and opinion, and indeed, they have specifically warned me against certain of the points of view which I have expressed.

Several hundred past and present public officials in the Dominion and provincial governments, as well as officers of Dominion and provincial civil servant associations, gave unstintingly of their time. Research assistance was provided in some cases, especially on two sections of Chapter V. Some of these individuals are named in the footnotes. A few have specifically requested that their assistance not be made a matter of public record. I have, therefore, reluctantly concluded not to list any of the names here. I am confident that no student of Canadian political institutions has ever been more warmly received, more cordially assisted, or more courteously treated by these officials and officers.

Professor Carl J. Friedrich at Harvard University gave me my introduction to the literature on European bureaucracy, and he has always maintained the interest of a friend in my subsequent work in this field. Professor Calvin B. Hoover of Duke University has furnished helpful advice and encouragement in all my research undertakings. My colleagues in the Department of Political Science at Duke University, especially Professors Robert R. Wilson and Robert S. Rankin, performed many personal favors for me during my absence in Canada. The responsibility for editing the *Journal of Politics* was largely assumed by Professor John H. Hallowell, the Associate Editor, during that period.

Officials of the Duke University Press, particularly Mr. Ashbel Brice, have provided more than the usual amount of editorial help. Mrs. Emma R. Patterson furnished valuable assistance in the preparation of the index. Most of the unpleasant part of the work in preparing the manuscript for publication was done by my wife, and many of my pleasant recollections of Canada can be attributed to her interests and friends there.

TAYLOR COLE

DUKE UNIVERSITY
December, 1948

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The Canadian Bureaucracy

· I ·

Introduction

A STUDY of the Canadian civil servants and other public employees since 1939 serves two purposes. It illustrates certain of the war and postwar problems in the evolution of a modern bureaucracy,[1] or civil service, in a democratic state with federal features. It also throws some light on one aspect of Canadian economic and political developments after 1939, for economic and political changes are mirrored either before, during, or after the event in the public service.

There is no need to explain the role of the bureaucracy in the modern state. Though this role was recognized later in Canada and the United States than in continental European countries, there is a general acknowledgment today that the bureaucracy is the core of modern government. The "real government effectuates itself neither in parliamentary debates nor in royal proclamations, but in the exercise of administration in daily life, necessarily and unavoidably in the hands of the civil service,"[2] as Max Weber once expressed it.

The following study deals with the chief personnel developments since 1939, with particular attention to the personnel control agencies, the employment conditions, and the employee associations. No complete examination of the whole system of public-employee relationships has been attempted. The stress has rather been upon major trends during the war period and the postwar period of demobilization and reconversion. The study covers only the employees of the Dominion Government and of the provincial governments of Canada, together with the public-school teachers. Municipal and other local employees have been excluded from consideration. Attention has been accorded types of employees other than the civil servants for the reason that a majority of the public employees in Canada do not have the legal status of civil servants; indeed, there is considerable uncertainty in most jurisdictions as to what groups may actually be designated as civil servants. In short, this is a case study of major personnel trends and developments involving federal and provincial employees during a recent decade.

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[1] The term "bureaucracy" is used in the sense employed in Carl J. Friedrich and Taylor Cole, *Responsible Bureaucracy* (Cambridge, Mass., 1932), and in Carl J. Friedrich, *Constitutional Government and Democracy* (Boston, 1941), chap. 2. The term "bureaucracy" is not used here in an invidious sense (as on p. 274), but simply refers to a group of human beings or employees who are performing definite functions considered essential by a community. It is preferred here to "civil service" because the latter term has a specialized legal meaning in Canada, which causes confusion and which does not cover many types of public employees constituting part of the bureaucracy. For the main criteria of a fully developed bureaucracy, see Friedrich, *Constitutional Government and Democracy*, p. 58. These analyses are based upon Max Weber, *Wirtschaft und Gesellschaft* (Tübingen, 1922), especially Part III, chap. 6.

[2] Max Weber, *Parlament und Regierung* (1918), p. 14, as quoted in Herman Finer, *Theory and Practice of Modern Government* (2 vols.; London, 1932), II, 1164.

The years covered by this study, 1939-1947, were marked by some of the most momentous changes in Canadian history.[3] Only a few of the significant shifts can be mentioned. The war effort itself for a country with about 12,000,000 inhabitants was not exceeded by any other with comparable population and resources. At the respective peak periods some 6.5 per cent of the total population of Canada was included in the armed forces, and the labor force had been expanded by 10 per cent over its prewar levels. Canadian production experienced a rise in gross value from $5.6 billion in 1939 to $11.6 billion during 1945, with slightly less than a 20 per cent rise in prices to account for a small part of the difference. While the proportionate value of agricultural production in the total value of production dropped sharply, the value of manufactures trebled. There were nearly 900,000 more salaried and wage workers on December 1, 1945, than on December 1, 1939, whereas employment in agriculture fell during these years. Canada's exports in 1944 reached a figure just short of $3.5 billion, an amount which has never been exceeded by any country except the United States. The direct funded debt increased from $3.5 billion at the end of 1939 to more than $15 billion in May, 1945, and in contrast to the situation at the end of the first World War this debt was largely an internal one.[4] The credits and loans extended to Britain during and after the war marked a transition from the status of the debtor toward that of a creditor country, at least as far as Great Britain was concerned.

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[3] See R. H. Coats (ed.), "Features of Present-Day Canada," *The Annals*, CCLIII (Sept., 1947), vii-viii, and following articles.

During these years population movements already in progress were accelerated. Between 1941 and 1946 the chief interprovincial population movements in Canada were towards the provinces of Ontario and British Columbia, while the Prairie Provinces of Manitoba, Saskatchewan, and Alberta lost more than their natural increase.[5] By 1947 the relative rate of population increase was greatest in British Columbia, which was followed by Quebec. The urbanization of Canada proceeded apace, with the natural increase of rural areas being funneled at an increased rate into the cities.

While the Canadian economy was experiencing this period of rapid development and change, an increasing integration and concentration of industry and a rapid growth of international unions resulted in a greater trustification of the economy. At the same time there was an acceptance of sharply increased governmental controls over industry, both through direct methods and indirect fiscal and monetary devices.

Under the wartime conditions after 1939 the distribution of powers between the Dominion and provincial governments was altered. Under the War Measures Act and other enabling legislation, based on the emergency powers latent in the British North America Act, the powers of the Dominion Government were extended during the war into various jurisdictional fields which were recognized under peacetime conditions as belonging to the provinces.[6] While there was a heavy increase in the activities of the federal wartime agencies, there was a corresponding static situation or decline in the work of the provincial public services.

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[4] See Donald C. MacGregor, "Tendencies in Canadian Public Finance," *The Annals*, CCLIII (Sept., 1947), 112.

[5] Directorate of Economic Research, Department of Reconstruction and Supply, *Location and Effects of Wartime Industrial Expansion in Canada 1939-1944* (Ottawa, 1945), pp. 35-40.

[6] *Fort Frances Pulp and Power Co.* v. *Manitoba Free Press* (1923) A.C. 695; *Attorney-General of Ontario* v. *Canada Temperance Federation* (1946) 2

The relations of Canada within the British Commonwealth were evolving under the impacts of economic and military developments, though it was not until after 1946 that the Canadian Citizenship Act was passed and that the Judicial Committee of the Privy Council finally recognized the right of the Canadian Parliament to abolish civil appeals to it from Canadian courts. The foreign representation of Canada assumed a status and size which recognized Canada's position as a leading middle power. The ceremonial signing in Dec., 1948, of the terms under which Newfoundland would become the tenth province of Canada was a matter of note for Canada's Prime Minister St. Laurent, who was promoted from his previous position of Minister of Foreign Affairs after the retirement in 1948 of W. L. Mackenzie King.

On the institutional side the period after 1939 saw the creation of such new federal departments as Munitions and Supply, National War Services, Veterans Affairs, and National Health and Welfare. The Department of National Defence was divided into three departments, and a host of new agencies, such as the Unemployment Insurance Commission, and *ad hoc* boards and commissions, such as the Wartime Prices and Trade Board, appeared on the scene. The Cabinet was streamlined for war work and was equipped with a large number of subcommittees to expedite its functioning.[7] Special committees of senior civil servants were created for various purposes from time to time.[8]

New types of public-legal relationships between the Dominion Government and its employees emerged. This was particularly true in the case of those crown corporations and

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D.L.R. 1; *Cooperative Committee on Japanese Canadians* v. *Attorney General of Canada* (1947) 1 D.L.R. 577.

[7] R. MacGregor Dawson, "The Impact of the War on Canadian Political Institutions," *Canadian Journal of Economics and Political Science*, VII (May, 1941), 170 ff.

[8] A. D. P. Heeney, "Cabinet Government in Canada: Some Recent Developments in the Machinery of the Central Executive," *Canadian Journal of Economics and Political Science*, XII (Aug., 1946), 294-295.

companies which were formed for wartime objects. While certain crown corporations and companies had been created prior to 1939, their rapid effervescence after that date marked the establishment of a large number of industrial and trading enterprises either directly operated or financed by the Government. In terms of rights and duties, the employees of many of these crown corporations and companies found themselves in a flexible position somewhere within the gap between the status of the private employee and of the civil servant.

The process of demobilization and reconversion was inaugurated in 1945 more suddenly than had been planned, following the unexpected collapse of Japan. The government policies envisaged for the period between the end of hostilities in Europe and in Japan had to be telescoped into a period which did not permit their full application.[9] Certain of the controls over manpower, transport, materials, foreign exchange, and productive facilities, which had been occasioned by scarcities, began to disappear. In some cases this process occurred speedily, but in others, such as foreign exchange, it took place only gradually and in an uneven fashion. Most of these controls had been directly exercised through prohibitions, allocations, and priorities. Certain other controls, such as price control, which had been a part of the general program for economic stabilization, were generally retained longer and were grudgingly and gradually released in 1946-1947 under both internal and external pressures. By the fall of 1947 the returning military personnel had been largely absorbed in the civilian population, and the Canadian economy was experiencing the highest level of employment in its history.

The "shaking-down" process affected the wartime departments and agencies; some, such as the departments of National War Services and Munitions and Supply, disappeared, and others, such as the departments of Veterans Affairs, Reconstruction and National Health and Welfare, were continued on a permanent basis. The service departments were reunited in fact as well as in name in a single Department of National Defence. A residue of the crown corporations and companies which had been established during the war took on a permanent status.

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[9] The program was set forth in Minister of Reconstruction, *Employment and Income, with Special Reference to the Initial Period of Reconstruction* (Ottawa, 1945).

The "national emergency arising out of the war" was not officially over in certain respects by the fall of 1947,[10] despite some doubts as to the legal basis for its continued existence;[11] and some Canadian public employees outside of the classified services were still affected thereby. On March 29, 1947, however, the statutory basis for the emergency federal personnel system which had been created during the war for the classified employees ended.[12] The result was the restoration for them of the legal situation existing in 1939.

Concurrent with these changes in the federal sphere was a return to the provinces of the control over such matters as regulation of wages, distribution of manpower, and control of investment and production. New tax agreements with a majority of the provinces in 1947, however, have not shifted to the Dominion the concurrent provincial power to levy direct taxes. They represent solely voluntary abstentions on the part of the provinces and no permanent change in the distribution of powers. There has been during the postwar years a rapid development of the provincial services, particularly those which had been severely restricted between 1939 and 1947.

Some of these increased activities also evidence the growing transfer of responsibilities from the local governments to the provinces—especially in the social service fields. The result has been a return largely to a situation of "constitutional normalcy,"[13] if indeed the prewar federal relationships in Canada could be classed as normal. In any case it could not be called a period of economic normalcy, for Canada in 1947-1948 was experiencing the greatest boom in her history.[14] The real strains on the old and slightly warped constitutional framework would probably not come again until the economic cycle had changed its course.

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[10] Note the basis for the Continuation of Transitional Measures Act, 1947, an "Act to provide for the Continuation of certain Orders and Regulations of the Governor in Council for a limited period during the National Emergency arising out of the War" (*Statutes of Canada*, 1947, c. 16; Commons, *Debates*, April 2, 1947, p. 2029). This act continued in force orders and regulations which had been based on the War Measures Act and the National Emergency Transitional Powers Act of 1945, as amended (*R.S.C.*, 1927, c. 206; *Statutes of Canada*, 1945, 2nd Sess., c. 25, as amended). Bill No. 136 of 1948 amended the Continuation of Transitional Measures Act, 1947, so that its date of expiration would come at one of two designated times in 1949 (House, *Debates*, March 15, 1948, pp. 2205 ff.).

[11] On this point note, however, *Cooperative Committee on Japanese Canadians* v. *Attorney General of Canada* (1947) 1 D.L.R. 577 at p. 585.

[12] Exceptions were certain orders in council dealing with veterans' preference, the Wartime Prices and Trade Board, and minor matters included in the schedule of the Continuation of Transitional Measures Act, 1947. These orders dealing with veterans were replaced later in 1947 by statutory provisions embodied in *Statutes of Canada*, 1947, c. 53.

[13] F. R. Scott, "The Special Nature of Canadian Federalism," *Canadian Journal of Economics and Political Science*, XIII (Feb., 1947), 13; K. C. Wheare, *Federal Government* (New York, 1947), especially chaps. 6 and 7.

[14] The year 1948 was the third successive year in the postwar period when new records of production, total trade, development of capital and employment were reached (Montreal *Gazette*, *Annual Commercial and Financial Review*, Jan. 6, 1949).

· II ·

The Dominion Bureaucracy: Background Considerations

THE EQUIPMENT for an understanding of the functioning of the Canadian bureaucracy since 1939 must necessarily include an adequate background in the historical development of Canadian political institutions. The task of presenting the whole story must be left to the economic and political historian. In the following pages only a bare mention will be made of the chief legislative milestones in the long struggle for the adoption of merit system principles in the Dominion. In addition an examination of the legal status of civil servants and other public employees and the presentation of some statistical data on Canadian public employees will furnish a basis for discussions, comparisons, and evaluations to follow in subsequent chapters.

HISTORY OF THE CANADIAN CIVIL SERVICE ACTS

The history of real civil service reform in Canada does not date from the passage of the first of the civil service acts.[1] The date of its passage was 1868, the year after the British North America Act went into effect. This provided the beginnings of a crude classification system in the "inside service," consisting chiefly of the departmental staff employed in Ottawa, as distinguished from those in the "outside service," who were employed outside Ottawa. The Governor in Council remained in control of the outside service. The act made provision for a Civil Service Board which was given on paper a limited jurisdiction over examinations, certifications, and promotional investigations. In fact, the Board lacked any substantial authority to control appointments. Changes in staff, moreover, frequently followed changes of the party in power, and public offices in the restricted services of that time were likely to be considered and used as legitimate spoils for the victors.

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[1] The history of the Canadian civil service to 1929 has been covered in the admirable study of R. MacGregor Dawson, *The Civil Service of Canada* (London, 1929), which has been supplemented by his subsequent writings, especially "The Canadian Civil Service," *Canadian Journal of Economics and Political Science*, II (Aug., 1936), 288-300. A summary account may be found in Charles H. Bland, "Public Personnel Administration in Canada," in Leonard D. White (ed.), *Civil Service Abroad* (New York, 1935), pp. 61 ff.

There were no less than four investigations of the public service between the years 1868 and 1882, each of which reported on the serious abuses in existence. A Royal Commission report in 1880 resulted in the passage of the Civil Service Act of 1882, which was frequently amended during the following years. Under this act provision was made for a Board of Examiners of three persons to be appointed by the Governor in Council. But the limited powers vested in this Board, which were chiefly those requiring qualifying examinations, proved of little consequence, and a Commission of Inquiry in 1907 painted a "dreary picture of the administrative system, choked with misfits and superfluous clerks."[2] The sequel to this inquiry was an act of 1908, under which there was set up a Civil Service Commission of two members, appointed by the Governor in Council during good behavior and removable on the joint address of the two houses of Parliament. A competitive system for the inside service, which was reclassified into three main divisions, was also provided. Though the Commission's powers were effectively augmented by this act, there were serious limitations, and the outside service was still excluded from its provisions. This fact, coupled with wartime developments affecting the public service after 1914, lent support for the reform program of Sir Robert L. Borden, when he was returned to office in 1917 at the head of a Union Government.

The Civil Service Act of 1918[3] followed. The primary purpose back of its passage was to eliminate existing abuses and especially political patronage. As amended, this act is the basic statute upon which the powers of the present Civil Service Commission rest. In sum, the act provided for a Commission

[2] Quoted from Alexander Brady, *Canada* (London, 1932), p. 65.

[3] *Statutes of Canada*, 1918, c. 12.

of three members appointed by the Governor in Council for ten-year terms[4] and removable on the joint address of the two houses of Parliament. The act also conferred broad powers upon the Commission over recruitment, organization, classification, compensation, promotion, and transfer in both the outside and inside services. The two most distinguishing features of the Civil Service Act at the time of its passage lay in this extension of coverage to include the outside service and in the increased powers vested in the Commission.

The problem of the classification of the new employees brought under the act was placed by the Government in the hands of the Commission. The assistance of so-called American experts was used for the purpose, and the result was the detailed Classification Schedule of 1919, which was given statutory basis by incorporation in the Civil Service Amendment Act of that year.[5] This schedule has continued to furnish a highly flexible statutory guide for the Civil Service Commission in classification matters.

Although there have been several amendments, there have been no basic alterations in the Civil Service Act since 1919. The changes have come rather as a result of administrative action which has been taken under the statutory provisions.[6] The growing complexity of governmental administration, the extension of public activities into new fields, the special demands of emergency periods, and particularly the added burden placed upon the Dominion Government during wartime have all combined to alter the nature of the public service to which regulation is applied. Thus while the legal framework to be discussed is that of 1918-1919, the public service itself is to a large extent the product of more recent developments. These later ones, especially from 1939 to 1947, will help explain the emergence in Canada of other public employment systems which have grown up alongside the "normal" one based on the Civil Service Act.

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[4] The members already in office in 1918 were to hold office during "good behaviour" (*ibid.*, 1918, c. 12, sec. 3).

[5] *Ibid.*, 1919 (Second Session), c. 10, sec. 10.

[6] L. W. Moffit, *An Historical Outline of the Growth and Development of the Civil Service*, Part II (mimeographed, undated), pp. 5-6.

LEGAL STATUS OF PUBLIC EMPLOYEES

Competent students have found it possible to provide a theoretical framework into which the concepts of "civil servant" and "public employee" may be properly fitted.[7] Legal exactness, however, is not always present. In Canada there are at least four basic statutes which must be examined for this purpose. No two of them agree in their coverage, and an examination of their provisions will explain why the broader term "public employee" is usually preferred to "civil servant" in the following discussion.

Of these basic statutes, the Civil Service Act speaks of "employees" as including "officers, clerks and employees in the civil service." The "civil service" includes "the civil positions and employees in and under the several departments of the Government of Canada" and "all other civil positions under and persons in the civil employ of His Majesty" with certain exceptions.[8] The Civil Service Superannuation Act[9] provides a somewhat different coverage in its provisions, which place an emphasis upon permanency of employment. It includes "a permanent officer, clerk or employee in the Civil Service who is in receipt of a stated annual salary," along with other officers, clerks, and employees designated by the Treasury Board to be eligible under the act. This is the only one of the basic acts wherein the term "civil servant" is used.

Under the Unemployment Insurance Act, as amended,[10] "employment" by "the Government of Canada" is covered, with the exception of "employment . . . upon certification satisfactory to the Commission that the employment is, having regard to the normal practice of the employment, permanent in character." In contrast to the Superannuation Act, the emphasis is thus upon temporariness of employment in order to secure coverage. The "public service" for purposes of this act includes all government departments, boards, commissions, and most crown companies.[11] The Government Employees Compensation Act[12] provides coverage for all employees, whether permanent or temporary, in "the service of His Majesty."[13] It is clear that employment under these acts is much broader than the employment in the "civil service" under the Civil Service Act and the Civil Service Superannuation Act.

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[7] See Herman Finer, *Theory and Practice of Modern Government*, Vol. II, chap. 27.

[8] *R.S.C.*, 1927, c. 22, secs. 2(a) and 2(d).

[9] *Statutes of Canada*, 1947, c. 54, sec. 1. See below, pp. 71 ff., and Commons, *Debates*, July 7, 1947, pp. 5254-5255.

[10] *Statutes of Canada*, 1940, c. 44, as amended by *ibid.*, 1943-1944, c. 31, sec. 21.

Glancing over the legislative history of these acts makes it obvious that there has been a tendency to broaden the coverage of the provisions of the various parliamentary enactments when it has been to the advantage of the public employees. Thus the wartime amendments to the Civil Service Superannuation Act in 1944 and 1947 extended its benefits to new groups of employees. There has also been an accompanying liberality of administrative interpretations of certain of the statutes. A generous administrative interpretation of the provisions of the Unemployment Insurance Act, for example, has been based upon a conscious policy of including as many provincial employees as local circumstances permit.

The general rules regarding the liability of "servants of the Crown" which prevail in England also prevail in Canada, except in so far as there have been statutory modifications.[14] In consequence, His Majesty is not liable for the torts of employees in the public service of Canada unless such liability is provided by statute.[15] At the same time, the public servant, unless protected by statute, is personally liable for his torts, even though they may have been committed in the performance of his duties.[16]

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[11] In Aug., 1947, a large part of the staff of the National Research Council were not included. Under a provision in the act exempting employment as a member of a "dominion police force," the Royal Canadian Mounted Police were also not covered.

[12] *R.S.C.*, 1927, c. 30, sec. 3; note amendment of 1947, *Statutes of Canada*, 1947, c. 18.

[13] Under this act as it stood in March, 1947, the employees of the Canadian Broadcasting Corporation *were* covered. On the Canadian National Railways, see Commons, *Debates*, March 31, 1947, pp. 1936 ff. There was no definite list of "corporations and crown companies that are covered" (*ibid.*, March 31, 1947, p. 1937).

[14] The writer is indebted to W. R. Jackett, Assistant Deputy Minister of Justice, for making available his unpublished compilation of English and Canadian cases dealing with these questions.

[15] *Tobin* v. *The Queen* (1864) 16 C.B. N.S. 310; *The Quebec Liquor Commission* v. *W. H. Moore* (1924) 4 D.L.R. 901. Statutory provision has been made for the liability of the Crown in cases of torts committed by its employees. Under the Dominion Exchequer Court Act as amended in 1938 (*Statutes of

A public employee assumes no liability for contracts entered into as an agent of His Majesty. Such liability as exists is that of His Majesty. As a rule, a public servant who has advised the Crown or who has executed His Majesty's orders is not the medium by which a right against the Crown can be enforced.[17] Claims against the Crown are thus not to be enforced by proceedings against the Crown's public servants.[18] These legal principles regarding the liability of the public employee have not been altered since 1939.

EMPLOYMENT STATISTICS

Writings on the Canadian public service, particularly as it existed prior to 1912, are subject to limitations for the reason that there is no acceptable statistical information on public employment.[19] At the present time there is no single source

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Canada, 1938, c. 28, sec. 1), a right was granted to recover damages through Petition of Right procedure for "every claim against the Crown arising out of any death or injury to the person or to property resulting from the negligence of any officer or servant of the Crown while acting within the scope of his duties or employment." An amendment to this act in 1943 deemed a "member of the naval, military, or air forces of His Majesty in right of Canada" to be "a servant of the Crown" (*ibid.*, 1943-1944, c. 25). On the liability of the Canadian National Railways for the torts of its employees, see *R.S.C.*, 1927, c. 172, sec. 33. For a good discussion of Petition of Right in Canada, see D. A. MacRae, *Constitutional Law* (mimeographed lectures, Toronto, undated), chap. 7. Cf. G. Lowell Field, "Administration by Statute—The Question of Special Laws," *Public Administration Review*, VI (Autumn, 1946), 329 ff.

[16] *Rogers* v. *Rajendro Dutt* (1860) 13 Moore 209; *Raleigh* v. *Goschen* (1898) 1 Ch. 73; *Rattenbury* v. *Land Settlement Board* (1929) S.C.R. 52 at pp. 62-64.

[17] Note Blackburn, J. in *The Queen* v. *The Lords Commissioners of the Treasury* (1872) L.R. 7 Q.B. 387 at p. 398.

[18] *The Queen* v. *The Commissioners of Inland Revenue* (1884) 12 Q.B.D. 461.

[19] The movement to collect statistics on the public employees of the Dominion grew out of partisan charges that the Liberal Government, after it came to power in 1921, had been responsible for an undue expansion of the public service. In 1925 annual reports by the Dominion Bureau of Statistics were started. The initial report provided some information dating back to 1912. See R. H. Coats, "The Social Sciences and Public Administration," *Canadian Journal of Economics and Political Science*, XI (Nov., 1945), 504 n. 1. Dr. Coats, then Dominion Statistician, had planned to keep the information by establishments in the services so as to provide continuing data on age, language, religion, and various other

which keeps a complete and continuing record of all public employees. The Civil Service Commission has employment records only for those employees who come under its jurisdiction. The Comptroller of the Treasury has a record of the employees to whom pay checks are issued through his office. The coverage of the Dominion Bureau of Statistics is limited to financial data and numbers of employees, and there are certain categories of public personnel listed as "nonenumerated classes"[20] which are excluded by it. There have been frequent returns to orders of the House of Commons, especially during the years 1943-1947, which represent untabulated answers from the various departments and agencies of government collected by the Secretary of State. The answers to these orders, however, are restricted to the specific questions raised, and they are not always complete. There have been only two serious attempts since 1930 to compile a comprehensive census of public employees. The first was undertaken in 1937, and a more extensive one was compiled in 1943 by the Department of Finance.[21] Both of these were, however, in the nature of performances for the day, and the data were quickly out of date. In short, there are not available anywhere complete data on public employees, and the material at hand does not always permit comparisons.

Excluding the nonenumerated classes, there are two main types of employees, the permanent and the temporary. The permanent employees hold office at the pleasure of the Crown,

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factors, along with salaries. On his proposal to maintain an "establishment book," see *Statistics of the Civil Service of Canada, 1925*, pp. 4-6. This plan never materialized.

[20] These "classes" consist chiefly of employees whose work is of a casual and special nature. These would include the employees of revenue postoffices, persons engaged in the Department of Public Works on work of a "temporary and terminable" nature, the employees of the Royal Canadian Mounted Police, etc. For a detailed breakdown of the nonenumerated classes, see Dominion Bureau of Statistics, *Summary Statistics of the Civil Service of Canada, 1946* (Ottawa, 1946), pp. 8-11. Special contractors, such as the thousands of mail contractors who operate rural mail routes on contracts, are not included in any of the statistical reports. On the mail contractors, see Commons, *Debates*, Feb. 20, 1947, pp. 654 ff.

[21] Special data from these censuses were made available to the writer through the courtesy of Dr. W. C. Clark, Deputy Minister of Finance, and W. C. Ronson, former Assistant Deputy Minister of Finance and now Master of the Royal Canadian Mint.

but, in fact, their tenure continues during good behavior.[22] The tenure of the temporary employees is legally limited to a maximum period ("not exceeding six months" under Section 38 of the Civil Service Act), but during the prewar period it became customary to "extend" temporary positions for longer periods. A large number of "temporaries" are referred to as "continuing temporaries" as a result of frequent reappointment. There are several differences in the rights of the two types of employees, such as those involving promotions, eligibility for transfer, and superannuation. In addition, an order in council is necessary for the removal of a permanent employee, but is not required for the dismissal of a temporary one.[23]

Between March, 1937, and March, 1946, according to the Dominion Bureau of Statistics compilations, the total number of permanents and temporaries increased from 42,836 in 1937, to 46,106 in 1939, to 104,055 in 1943, and to 120,557 in 1946.[24] The total number of permanents did not change greatly during these years, with 30,678 in 1937, 32,132 in 1939, 28,708 in 1943, and 31,088 in 1946. However, the percentage of the total number of both permanents and temporaries declined from 71.6 per cent in 1937 to 69.7 per cent in 1939, to 27.6 per cent in 1943, and to 25.8 per cent in 1946. This development stands in vivid contrast to the trend during the period from 1925 to 1939, when there was a slight gain in the proportion of civil servants having permanent status. It also indicates the fundamental changes which have occurred since provision was made in the Civil Service Act for temporary employees.[25]

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[22] Cf. Auditor-General, *General Office Guide* (Ottawa, 1946), p. 88; R. MacGregor Dawson, *The Government of Canada* (Toronto, 1947), p. 153; Department of Labour, "Personnel Office Manual" (typewritten, Jan., 1947), "Appointment and Establishment Section," p. 7.

[23] On the differences, note the Civil Service Federation of Canada, *Memorial for Submission to . . . the Cabinet* (mimeographed, Aug., 1947), p. 5.

[24] *Summary Statistics of the Civil Service of Canada, 1946*, p. 16.

[25] Secs. 15, 38-40. It was originally intended that the temporaries would be either appointments of an emergency character or for a limited time to perform some specific task. Considerable discretion was consequently permitted in the manner of appointment. The Treasury Board favored temporary positions and appointments as an economy and control device since the positions originally were subject to review semiannually and the employees were appointed at

A survey of the public service made by a special ministerial committee in 1946-1947[26] indicated a growth of *full-time* employees from 52,000 in 1939 to a wartime peak of 142,000 in May, 1945. This increase was attributed to the establishment of strictly wartime departments such as National War Services, Munitions and Supply, and the Wartime Prices and Trade Board; to the additions to the civilian staffs of the defence departments; and to the necessarily augmented personnel of the various departments and agencies providing certain service functions (especially the Unemployment Insurance Commission). At the end of hostilities in Europe there was a decline to 129,000 in January, 1946. The demands of the demobilization period and the rapid staffing of such departments as National Health and Welfare and Veterans Affairs more than offset the reductions in the wartime agencies during the following months, and by October, 1946, the number of employees was back to the May, 1945, level of 142,000. Under some pressure from the Government there were reductions of about 15 per cent to a total of 121,000 by April, 1947. In the face of repeated charges of unnecessary delays by opposition parties in the House of Commons, a government spokesman promised in May, 1947, that the "civil service will continue to be reduced on a graduated scale, largely through diminishing veterans' requirements and the final liquidation of remaining war-time departments."[27]

To secure the changes in the *total* number of employees, including casuals and prevailing-rates employees, still other sources must be used. According to the "Census of Public

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the minimum without a right to increases. The continued growth of the percentage of public employees who are temporaries in name, but permanent in fact, has led to growing employee criticism of the "differences" in the position of permanents and temporaries. In addition temporary positions have been used on occasions as a means of effecting appointments other than under the competitive merit system. In other words, the system of temporary appointments has profoundly affected the whole system of public employment in Canada.

[26] A summary of the report of the committee is included in Commons, *Debates,* May 9, 1947, pp. 2961 ff. While the report did not include "casual employees paid by the hour, revenue postmasters, and crown companies personnel," it did cover certain employees not listed as permanent or temporary by the Dominion Bureau of Statistics. It also excluded the permanents and temporaries who were not employed full-time.

[27] *Ibid.,* May 9, 1947, p. 2963.

Employees" of 1937, there was in April of that year a total of 57,432 employees, including 4,906 part-time and 2,896 seasonal employees. The total number of employees as of September 30, 1943, according to the census of that year, was 138,969. Included therein were 6,875 part-time and 4,061 seasonal employees. According to the records of the Comptroller of the Treasury, an all-time peak was reached on December 31, 1945, when the records showed 162,738 employees. By August 31, 1946, the number stood at 153,288 and by July 31, 1947, at 137,240.[28]

From the examination of these various sources it is evident that there are many statistical gaps. It is also clear that there are wide disparities in coverage. Nevertheless, the combined figures will give some approximation of the growth and changes in public employment in Canada from 1939 to 1946.

The total number of employees by departments has undergone sharp changes since 1939. Based on the Dominion Bureau of Statistics figures on permanent and temporary employees exclusively, the Post Office Department in that year ranked first, with 12,518; the Department of Transport (Main Department) second, with 5,613; the Department of National Revenue (Main Department) third, with 4,415; and the Department of Public Works fourth, with 4,124 employees.[29] In 1943 the effects of the war were seen when the Department of National Defence: Air Services was first, with 16,782; the Post Office Department was second, with 12,622; the Department of National Defence: Army Services was third, with 8,554; and the Department of Transport was fourth, with 6,273 permanent and temporary employees.[30] By March,

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[28] Employees of crown corporations were not included. A return to an order of the House of Commons dated February 10, 1947, showed on December 31, 1946, some 15,000 employees of ten crown "corporations," listed by the Department of Reconstruction and Supply, who were not included by the Comptroller of the Treasury (House of Commons, *Sessional Paper* No. 106F of March 27, 1947). Also not included were the employees of the Bank of Canada, the Canadian Broadcasting Corporation, the Canadian National Railways, and the Trans-Canada Air Lines. Note the comparison of certain of these recent returns in Commons, *Debates*, April 17, 1947, p. 2187.

[29] *Statistics of the Civil Service of Canada, 1937-1939* (Ottawa, 1940), pp. 24-25.

[30] *Ibid., 1943,* pp. 12-13.

1946, the Post Office Department was first again, with 15,256; the recently created Department of Veterans Affairs was second, with 12,830; the Department of National Defence: Army Services was third, with 9,888; and the Unemployment Insurance Commission was fourth, with 8,477 permanent and temporary employees.[31]

The lack of adequate data also prevents a comparative study of the age groups in the public service after 1943. There are fairly complete data in the two censuses of 1937 and 1943. In 1937 there was a total of 57,432 employees, of whom 46,686 were male and 10,746 were female. Of this total only 2,389, including 1,499 male and 890 female employees, or 4.1 per cent, were under the age of 24; and 7,350, including 6,049 male and 1,301 female employees, or 12.8 per cent, were over the age of 60. Some 3,302 of the employees were 65 years of age or over. In September, 1943, out of a total of 138,969 employees, 88,178 were male and 50,791 were female.[32] Of this number 26,139, or 18.8 per cent of the total, were under the age of 24. Some 19,770, or 14.2 per cent of the total number of employees, were females under the age of 25; and only 6,369 were male employees under that age. On the other hand, there were 14,901 employees, or 10.7 per cent, 60 years of age or over, of whom 13,098 were male and 1,803 were female employees. There were 7,644 employees between the ages of 65 and 94. There was thus a sharp increase in the percentage of employees in the age groups under 25 between 1937 and 1943. The military service demands on the men and other wartime considerations will explain the shift from the larger percentage of male employees under 25 in 1937 to a large female majority by 1943.

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[31] *Ibid., 1946,* pp. 22-23. The Department of Finance and the Comptroller of the Treasury are separately considered. The addition of nonenumerated classes (casuals, etc.) of employees alters the order of the departments both in 1943 and in 1946. On July 31, 1947, the Post Office Department was first, with 16,792 (excluding 11,868 employees in revenue post offices); the Department of Veterans Affairs was second, with 15,869; the Department of National Defence: Army Services was third, with 11,310; and the Department of Transport was fourth, with 9,022 (data from records of Comptroller of Treasury).

[32] The proportion of women to men was, of course, much higher in 1943 than in 1939. Of the 7,345 "assignments to permanent and temporary positions" in 1939, over 72 per cent were male employees, whereas of the 52,210 made in 1943, only a little over 29 per cent were male (Wartime Information Board, *The Civil Service Commission,* Reference Papers No. 32, Jan. 19, 1944, Table 1).

In certain respects the age factor was causing some concern during the period of reconstruction. Officials of the Professional Institute of the Civil Service have estimated that nearly 80 per cent of the scientific personnel in the public service was over 50 years of age in 1946[33] and have maintained that the average age was rising at a time when it was becoming increasingly more difficult to recruit younger scientists for the Government.

The effects of veterans' preference have been particularly evident in the Department of Veterans Affairs, which has adhered rigidly to a policy of staffing with veterans.[34] In that department early in 1947 approximately 95 per cent of the male employees fell either into the age groups 49-60, composed largely of former servicemen of the first World War, or age groups 21-31, composed chiefly of former servicemen of the second World War.[35] These effects of veterans' preference have been reflected to a lesser extent in the age groups of the employees of other departments.

It is not possible to determine accurately the total number of patronage appointments. Certainly the number of positions subject to political patronage was on the decline during the war, when positions often sought the incumbent. The normal political sap had begun to rise in 1946-1947, however, when moves were under way to cut the staffs of a number of departments.

An illustration in point is the Department of National Revenue. This department is divided into separate and distinct divisions: Customs and Excise, with one deputy minister, and the Income Tax Division, with another deputy minister. The former is under the jurisdiction of the Civil Service Commission and has a sound personnel organization. The latter, which is not under the Commission, expanded from approximately 1,300 in 1939 to over 7,400 employees in January, 1947. It was heavily overstaffed and contained a large percentage of political incompetents who had secured positions via the patronage route. Despite the economy moves by the Cabinet in 1946-1947, in which the Minister of National Revenue (Customs and Excise Divisions) played a leading role, the same individual in his capacity as Minister of National Revenue (Income Tax Division) had at one and the same time difficulty in reducing his staff but considerable success in securing approval from a willing Cabinet for sharp increases in employee salaries. In disregard of the recommendations made in 1946 in a unit survey by the Treasury Board staff, salaries of the Collectors of Income Tax in Toronto and Montreal were raised in a departmental reorganization in 1947[36] to $9,600 annually, whereas the Assistant Deputy Ministers for Customs and Excise in those cities were finally raised in the same year to $8,000 annually, in accordance with the recommendations of the Gordon Commission.[37]

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[33] According to testimony before the Royal Commission on Administrative Classifications in the Public Service, 1946, "Proceedings of Public Hearing . . ." Thursday, March 14, 1946 (typewritten), II, 136. (Hereinafter cited as Gordon Commission, "Proceedings.")

[34] See below, p. 99.

[35] Information as of January 30, 1947, from E. B. Reid, Director of Public Relations, Department of Veterans Affairs.

Certain other departments are still known as "patronage departments" in popular parlance. These include the departments of Public Works and Transport, which have an appreciable number of "prevailing-rates" employees not subject to the jurisdiction of the Civil Service Commission. Numerically, the two largest groups of political bait are the 10,000-12,000 employees of the revenue post offices in the Post Office Department and the several thousand prevailing-rates employees in the Department of Public Works. The Chief Electoral Officer handles certain patronage positions which increase sharply in number when arrangements are being made for an election. The staff of the House of Commons and Senate consists in part of patronage appointees. Each minister is permitted, under the Civil Service Act, to make private secretarial

[36] *Financial Post*, XLI (Aug. 2, 1947), 1.

[37] These conditions may explain the announcement by the Minister of National Revenue in May, 1948, that appointments in the Income Tax Division in the salary ranges of $3,000 and under would in the future be made by the Civil Service Commission in order "to remove any suspicion of political patronage in appointments." See, in this connection, *Canadian Civil Servant*, XXVIII (July, 1948), 15.

appointments. Some of the other positions exempt from the Civil Service Act, such as those paying under $400 per year, may be reserved for the faithful. Some of the higher positions in the rapidly expanding Canadian diplomatic service are used as political plums. The number of these patronage positions, while considerably higher than the percentage in England, has also been appreciably lower than in the federal service of the United States.[38]

As was to be expected, Canada had a larger percentage of her total population in federal employment in 1946 than she had in 1939. If persons in more or less full-time and continuous employment were included and employees of crown companies were excluded, there were about 150,000 federal employees at the end of 1946. Making the most liberal allowances,[39] there were between 170,000 and 180,000 public employees of all types in the Dominion out of a population of some 12,000,000. The percentage of public employees consequently ranged from approximately 1.24 to 1.5 per cent of the total population. This percentage of public employees in the service of the National Government is lower in Canada than in Great Britain or the United States.[40]

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[38] See Leonard D. White, *Introduction to the Study of Public Administration* (rev. ed.; New York, 1945), p. 287; W. B. Munro, *American Influences on Canadian Government* (Toronto, 1929), pp. 73 ff.

[39] Employees of the Canadian National Railways and Trans-Canada Air Lines are not included. Prevailing-rates and casual employees are included.

[40] Defence Minister Brooke Claxton estimated that at comparable times in 1946 there were 150,000 employees, or 1.24 per hundred population in Canada, as compared to 695,950, or 1.53 per hundred in the United Kingdom, and 2,961,000 or 2.12 per hundred in the United States (Commons, *Debates*, July 15, 1946, pp. 35-36). The weaknesses of this type of comparison with Great Britain are obvious, particularly if provincial employees in federal Canada are excluded from the totals.

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The Dominion Bureaucracy: The Control Agencies

THE MOST IMPORTANT agencies exercising control over the public employees in the Dominion are the Parliament, the Governor in Council, the Treasury Board, the Civil Service Commission, and the ministerial heads and other officials in the departments, boards, and commissions. The role of these agencies, their development, and their relationships with each other during the war and the postwar period merit detailed discussion.

PARLIAMENT

Under the Canadian political system, the ultimate controls over the federal public employees must rest on statute. There are a number of enactments which affect and in fact outline the system of control over these employees. The acts which provide for the creation of the separate departments and for establishing the lines of authority and responsibility within the departments running up to the ministerial head are examples. In addition, there are provisions for a large number of boards, commissions, corporations, and special agencies. Some of these fall directly under the jurisdiction of the Governor in Council, and others possess a so-called independent status.

As previously indicated, there are certain statutes which deal directly with the status and rights of public employees. Included are the Superannuation Act, the Unemployment Insurance Act, and the Government Employees Compensation Act. Though these acts are designed to provide benefits, they also provide by indirection many restrictions. The annual appropriations, based upon the estimates, must also be mentioned. From the standpoint of control since 1939, however, the two most important ones have been the Civil Service Act and the

War Measures Act.[1] Under the first of these the normal system of public employee control has been built. Under the second of these acts, the broad emergency powers conferred upon the Governor in Council furnished in turn the authority for the orders in council on which the emergency system of public employee control after 1940 rested. The statutory basis for these orders in council affecting public employees under the emergency system was provided after January 1, 1946, by the National Emergency Transitional Powers Act, 1945.[2] Only a few of the orders and regulations affecting public employees covered by this act were continued on the basis of the emergency powers after March 31, 1947.[3]

Traditionally, Parliament has exercised some control over public employees through the device of special investigating committees. Whatever the purposes of these committees in the past, and they have mixed the motives of the spoilsmen with those of reformer, there were seven such parliamentary committees set up between 1919 and 1939. The last two were created in 1938 and continued in 1939, the one "to inquire into the operation of the Civil Service Act,"[4] and the other to investigate the superannuation system. The weird performance of the first of these two committees, which functioned under the chairmanship of the eccentric Jean-François Pouliot, might have discouraged an early repeat performance, even if the war had not intervened.

In any case, there has been no special committee to deal with the Civil Service Act since 1939, and only such special committees of the House of Commons as that on War Expenditures in 1941, that on War Expenditures and Economies in 1945, and that on Veterans Affairs in 1946 gave any particular attention to problems of "staff." Parliamentary debates were punctuated only by an occasional reference to some discrimination against the French-speaking Canadians, some stock comments for partisan purposes, or a blast from Mr. Pouliot.

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[1] *R.S.C.*, 1927, c. 206.

[2] *Statutes of Canada*, 1945, c. 25; 1946, c. 50.

[3] *Ibid.*, 1947, c. 16.

[4] R. MacGregor Dawson, "The Select Committee on the Civil Service, 1938," *Canadian Journal of Economics and Political Science*, V (May, 1939), 179 ff.

In other words, the House of Commons from 1939 to 1945 concerned itself with personnel trifles, an illustration of the type of activity which may justify a borrowing of Alexander Brady's wartime reference to the "modern anemic tradition of Parliament."[5]

There has been little evidence of sustained interest in employee matters on the part of individual parliamentarians. One of the reasons is the limited number of patronage appointments. There is no standing committee on the civil service which might encourage members to study the problems from year to year.[6] Perhaps another explanation lies in the hesitancy of the Government to make available to Parliament certain types of information. A motion to table the report of the Coon Committee, which was created in 1943 to investigate the numerous complaints of public employees, was defeated by a close vote of 63-50 in the House. The Government's refusal was defended by Minister Ilsley on the grounds that the "Coon Committee was appointed to advise the treasury board" and its advice was "confidential."[7] The censuses of 1937 and 1943, referred to above, have never officially been released, but there is no particular evidence that members of Parliament have ever requested this information.

The issue created by the Coon Committee Report was raised in a somewhat different fashion in 1946, when opposition members in the House of Commons demanded "a copy of all reports submitted by regional reconstruction councils to the Department of Reconstruction and Supply or the Department of Reconstruction." Again the Government refused, and it was sustained by the narrow margin of 95-86 in the House.[8] The power of the Government to refuse information because of its confidential character or because of the necessity of protecting sources leaves Parliament dependent upon the largesse of the Government. The close votes in both 1943 and 1946 indicate that opinion in the House on the wisdom of this cautious policy in divulging information has been sharply divided, albeit along partisan lines.

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[5] Alexander Brady, in Alexander Brady and Frank R. Scott (eds.), *Canada after the War* (Toronto, 1943), p. 41. Cf. H. McD. Clokie, *Government and Politics* (Toronto, 1944), pp. 130 ff.

[6] The Special Committee on the Operation of Civil Service Act in 1938 recommended that "a Standing Committee on civil service matters be appointed at the commencement of each session of Parliament" (*Minutes of Proceedings*, No. 39, June 27, 1938, p. 1551). The record of the special investigating committee was hardly one which could encourage serious action based on its recommendations.

[7] Commons, *Debates*, June 4, 1943, p. 3336, and June 7, 1943, p. 3367. The Coon Committee was created by P.C. 2/584 of Jan. 23, 1943. It was composed of five members, two from the Civil Service Commission, two from the Department of Finance, and a chairman from the Bank of Nova Scotia.

The period since 1946 has permitted the luxury of more discussion. There have been more frequent questions raised in the House for information dealing with public employees. Many of these questions have originated in opposition circles and have been used to support charges that the Government is by-passing the Civil Service Commission[9] or that Canada has fallen into the hands of an expansionistic "bureaucracy." But there have been no comprehensive discussions, through investigating commissions or on the floor of the House, of the fundamental features of the public employment system as such. All in all, the role of Parliament since 1939 has been even more negative and restricted than prior to the war.

THE GOVERNOR IN COUNCIL

The Governor in Council or (loosely speaking and without consideration for legal niceties) the Cabinet acted in a dual capacity during the war period. On the one hand, it continued to exercise such powers as were vested in it under the Civil Service Act. Under Section 59 of that act, positions may be exempted from its application "with the approval of the Governor in Council." In addition, positions have been exempted from the act by special statutory provisions and by votes in the estimates, many of which are filled by the Governor in Council.[10] The result has been a large number of positions which have been filled either directly or in accordance with orders in council. Of the employees listed by the census in 1943, some 8,727 out of 57,804 positions filled by methods other than appointments by the Civil Service Commission had been filled under the terms of orders in council.

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[8] Commons, *Debates*, July 17, 1946, pp. 3594-3595.

[9] See, for example, debates on Bill No. 25 (Agricultural Products Act) (Commons, *Debates*, March 20, 1947, pp. 1619-1620).

[10] *Positions Exempted from the Civil Service Act* (Ottawa, 1936), p. 1; Commons, *Sessional Paper* No. 54 of Feb. 8, 1939. On the procedure followed in one department in filling exempt positions, consult Department of Labour, "Personnel Office Manual," "Appointment and Establishment Section," p. 12.

The Cabinet also exercised its powers under the War Measures Act to deal with personnel matters in the period of national emergency. Shortly after the outbreak of war a number of new agencies endowed with broad powers to select their own personnel appeared on the scene. The War Supply Board, created in September, 1939, was authorized "with the approval of the Governor in Council on the recommendation of the Minister" to employ "such professional, technical and other officers, clerks and employees as it may deem necessary for the proper conduct of its business and with such approval may fix the remuneration."[11] A succession of other orders in a similar vein followed.[12] As viewed later by the Governor in Council, these developments in the departments and agencies involved led to overstaffing, to an undesirable variation in the methods of making appointments, to a lack of any uniformity in salaries, to a lack of adequate testing of personnel before selection, and to an absence of effective centralized control over the employees.

As a result of this situation the most important order in council of the war affecting public personnel, P.C. 1/1569 of April 19, 1940, was issued under the War Measures Act. This order provided that "the authority vested in the Governor in Council under the War Measures Act to make appointments and otherwise deal with personnel shall, unless the Treasury Board otherwise directs, be exercised subject to the approval of the Treasury Board and after investigation of need and rates of pay by the Civil Service Commission."[13] By this order the Governor in Council reversed its policy of granting wide powers of appointment to separate departments and agencies and legally centralized the authority in the Treasury Board. The order further outlined a procedure for "changes in organization" and for "making appointments" which in effect placed the exercise of these powers in the hands of the Civil Service Commission, subject to the continuing approval of the Treasury Board.[14] It was under these arrangements that the large majority of public employees were handled after 1940.

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[11] P.C. 2696 of Sept. 15, 1939, sec. 3.

[12] See P.C. 2716 of Sept. 15, 1939, and P.C. 3677 of Nov. 15, 1939.

[13] Sec. 1.

To a greater extent than the Parliament, the Cabinet has been informed on developments involving public employment. The census information of 1937 and 1943 was available to it. The confidential information which was secured by the Coon Committee in 1943 could be obtained through the Minister of Finance. The materials on personnel from the Comptroller of the Treasury and the Civil Service Commission were regularly submitted in 1946-1947 to the Cabinet Committee on Civil Service Reductions. In short, the Cabinet has had access to far more information than has the Parliament. At the same time the continued inadequacies of the data on establishments prevent the Cabinet from obtaining a comprehensive and continuing picture of the federal personnel.

THE TREASURY BOARD

A large part of the authority of the Governor in Council over personnel matters is exercised by the Treasury Board. This board consists of the Minister of Finance as its chairman, together with five other ministers designated by the Governor in Council.[15] Its secretary is the Deputy Minister of Finance. The Board is a "committee of the King's Privy Council for Canada" in matters relating to finance, revenue, expenditure, and public accounts and traces its origin to the Finance and Treasury Board of 1869.[16] Its immediate prewar authority over many matters affecting the public service dates from an order in council of February 27, 1925. At the height of the depression, when considerations of economy were dominant, a series of staff control regulations was issued which resulted in a cessation of reclassifications and promotions, along with a reduction in the numbers of employees and deductions from the pay of public employees.[17] When these powers are added to the functions of the staff of the Treasury Board in bringing together the financial estimates for ultimate presentation to Parliament, it can be seen that the Treasury Board wielded great power both in the determination of the amounts recommended for personnel expenditures and in the ways in which they were actually spent.

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[14] Secs. 2, 3. This order may be compared with the decision taken by the U. S. Congress when legislating in the fall of 1940. It rejected the demands of the War Department, as presented to the House Committee on Military Affairs, that the Department be given final power, without the necessity of reference to the Civil Service Commission, to appoint its own personnel. See Leonard D. White (ed.), *Civil Service in Wartime* (Chicago, 1945), p. 11.

[15] For its composition in March, 1947, see Commons, *Debates*, March 20, 1947, p. 1589.

[16] *R.S.C.*, 1927, c. 71. Cf. Auditor-General, *General Office Guide*, pp. 6 ff.; W. C. Clark, "Financial Administration of the Government of Canada," *Canadian Journal of Economics and Political Science*, IV (Aug., 1938), 395 ff.; C. J. Mackenzie, *The Treasury Board* (mimeographed, undated).

The tendency toward accretion of power in the hands of the Treasury Board was accelerated by the developments during the war period. The result is that this board has acquired the final authority, though not the immediate responsibility, over most matters of establishment and organization. And when differences exist between the Treasury Board and the Civil Service Commission over such matters, the Treasury Board, in the words of an Assistant Deputy Minister of Finance, "has the final say."[18] The justification usually offered for this control in the hands of the Treasury Board in Canada is similar to that presented in the (British) Ministry of Reconstruction's *Report of the Machinery of Government Committee* in 1918:

> On the whole, experience seems to show that the interests of the taxpayer cannot be left to the spending Departments; that those interests require the careful consideration of each item of public expenditure in its relation to other items and to the available resources of the State, as well as the vigilant supervision of some authority not directly con-

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[17] These depression period regulations, which required the reference of a number of new matters affecting the positions and rates of pay of public employees to the Treasury Board, with the exception of the regulation regarding the selection of permanent posts, are still largely the basis of the existing authority of that body. Note the explanation of W. C. Ronson, Assistant Deputy Minister of Finance, before the Gordon Commission. See Gordon Commission, "Proceedings," I, 56-59, for a summary of some of these and other staff control regulations which (as amended) were still in effect in 1946.

[18] *Ibid.*, I, 79; cf. *Report of the Royal Commission on Administrative Classifications in the Public Service* (Ottawa, 1946), pp. 16-17. (Hereinafter cited as Gordon Commission, *Report*).

cerned in the expenditure itself; and that such supervision can be most naturally and effectively exercised by the Department which is responsible for raising the revenue required.[19]

In December, 1946, the staff of the Treasury Board numbered about thirty-five. Of these, seven members concerned themselves with the personnel matters which fell under the jurisdiction of the Treasury Board.[20] Most of these officials were university graduates, though none had any particular training or experience in personnel work before entering the government service. In addition to its other work, this small staff made unit surveys of two establishments which were exempt from the jurisdiction of the Civil Service Commission in 1946-1947. These were surveys of the Income Tax Division of the Department of National Revenue and of the Penitentiaries.[21]

The criticisms of the Treasury Board are in part directed at the role of the Board as such and to a greater degree at the functioning of its staff. There are frequent but poorly substantiated charges that membership on the Treasury Board makes a difference in the nature of decisions on important departmental personnel problems. As a matter of fact, the Treasury Board "rubber stamps" the recommendations of the Civil Service Commission in all except occasional cases. There is better support for the contention that departments "represented" by ministers secure speedier action on important requests under the procedure which is always time-consuming.

The Treasury Board is also charged with an "economy complex" which is allegedly a carry-over from the depression period. Its decisions are arbitrarily made to secure financial savings and are only secondarily based upon the possible effects on the public service which it views in an impersonal fashion. Its methods of secrecy have also occasioned bitter comment, especially from departmental personnel officers. The usual absence of any explanations often leaves officials at a loss to know the basis for Treasury Board decisions.[22] Finally, it is charged that the Treasury Board has both an insufficient and inadequate staff for the numerous and complex functions with which it must deal.[23] Regardless of these criticisms, the general trend toward strengthening the position of the Treasury Board has continued since 1939.

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[19] Cmd. 9230, 1918, pp. 18-19.

[20] Mackenzie, *op. cit.*, pp. 13-14; cf. Gordon Commission, "Proceedings," I, 81-82.

[21] The recommendations dealing with the Income Tax Division were largely disregarded in the salary adjustments in 1947; those dealing with the penitentiaries were followed in the main.

The legal basis for the power to make these unit surveys has been controversial since the lapse of most emergency powers on March 29, 1947, but reliance has been placed upon an opinion by the Department of Justice in 1935 that the basis existed in the normal fiscal powers of the Treasury Board.

THE CIVIL SERVICE COMMISSION

The Civil Service Commission was created in its present form by the Civil Service Act of 1918. As noted above, the three members of this body are appointed by the Governor in Council for ten-year terms and are removable only upon the joint address of the two houses of Parliament. The Commission is formally represented in the House of Commons by the Secretary of State. The extent of the interest taken by this official in public service matters has depended upon the incumbent. There has been continued but sporadic discussion of the advantages of the "independence" of the Commission, at least in the sense of direct dependence upon ministerial control, as against the weaknesses of a position which results from the absence of a responsible spokesman in the House and especially in the Cabinet.

In sharp contrast to the practices in the United States, the members of the Canadian Civil Service Commission at the end of 1947 had all been recruited from former employees of the Commission. Charles H. Bland, the Chairman of the Commission, was Assistant Secretary and Chief Examiner of the Commission when he was appointed in 1932.[24] Arthur Thivierge was promoted to the Commission in 1942, from his position as Chief Assignment Officer, after serving with the Commission since 1920. (He replaced the previous French Canadian "representative," Adrien Potvin, and was in turn succeeded after his death in 1948 by Alexandre Boudreau.) In 1945 Stanley G. Nelson, who had previously acted as Chief Executive Officer and Chief Examiner of the Commission, replaced Commissioner James H. Stitt, when the latter retired at the end of his ten-year term.

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[22] The justification for this secrecy, according to Treasury Board officials, lies in the fact that the responsibility of the Board is to Parliament only.

[23] See, for example, Gordon Commission, "Proceedings," III, 424-427, and V, 691.

[24] This appointment was one of two which were made after an amendment to the Civil Service Act in 1932. This amendment authorized the Governor in Council to retire from office the then present members of the Commission (*Statutes of Canada*, 1932, c. 40, sec. 13). Acting on this authorization and in accordance with recommendations made by a Select Special Parliamentary Committee on the Civil Service and Civil Service Act, the Governor in Council retired two of the commissioners (*Report of the Civil Service Commission*, 1933, p. 21).

The fact that all of the members of the Commission up to 1947 had been recruited from its ranks has been fully discussed. Critics maintain that the absence of outside recruitment has tended to crystallize the practices of the Commission and to prevent needed change. It is replied that there have been only seven members of the Commission since 1918 who were not promoted from the Commission's own ranks and that five of these were forced out of office or resigned under a cloud before the end of their terms. It is also pointed out that some of the most capable members of the Commission, including Commissioners Bland and Nelson, have come from the Commission itself.[25] Furthermore, it is said that the quality of the men promoted from the ranks in Canada since 1918 has compared more than favorably with most of the appointees to the Civil Service Commission in the United States, where the practice of appointment from the outside has been followed. This controversy is not a new one. It need only be reported here that it continues to be debated following the wartime changes in the membership of the Commission.

The Canadian Civil Service Commission has been vested with more powers than the Civil Service Commission of the United States,[26] particularly in matters of organization and classification, and with considerably more than the British Civil Service Commission, which is essentially a recruiting agency. There is no functional division of work among the members of the Canadian Commission, although the French-Canadian Commissioner deals largely with questions involving the French Canadians, and another Commissioner with questions concerning recruitment and examinations.

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[25] The civil servant associations, which strongly favor the principle of promotion from the ranks to the highest positions in the public service, commented in a highly favorable manner on the appointment of Commissioner Nelson. See *Civil Service News*, XXIII (Oct., 1945), 238-239; *Civil Servants Digest-Organizer*, XXIV (Nov., 1945), 11.

[26] John McDiarmid, "The Changing Role of the U.S. Civil Service Commission," *American Political Science Review*, XL (Dec., 1946), 1067 ff.

The powers of the Commission under the Civil Service Act were somewhat different (less in practice than on paper) from those which it possessed under the orders based on the War Measures Act. Under the former it has final authority over appointments and promotions, together with the power to recommend changes in organization and establishment to the proper authorities (in effect always to the Treasury Board). Under the emergency orders in council, the Commission had to secure at least formal Treasury Board approval in the exercise of all its functions involving pay of employees. While the Treasury Board transferred the power of making practically all appointments to the Commission under this system, it did retain and exercise the authority to make certain ones itself, without reference to the Commission.

Broadly speaking, the branches and agencies of the Commission can be divided into three main functional groupings: (1) those dealing with organization and classification; (2) those dealing with recruitment, examination, and promotion; and (3) those dealing with clerical, budgetary, and housekeeping matters. The last of these groupings includes the various branches and offices which handle records, assignments, certifications, etc. for public employees, as well as those which are concerned with the budgetary and personnel problems of the Commission itself.

The two main branches of the Commission are the Investigation and Organization Branch and the Examination Branch. The latter of these deals with matters of recruitment, examination, and placement[27] and, to a certain extent, with promotions. The Director of Personnel Selection is the head of the Examination Branch, which early in 1947 consisted of about 52 examiners in Ottawa and in the regional offices. A large majority of this number had been appointed after 1939.

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[27] For a detailed discussion of the work of this branch, see L. W. Moffit, *The Organization of the Civil Service* (mimeographed, undated), pp. 2 ff. It should be noted that appointments are made from the persons *highest* on the lists of eligibles, as prepared by the Examination Branch. There is no rule comparable to the "rule of three" in the United States.

The Investigating and Organization Branch had a staff of 12 members in 1939 and had increased to 30 by the spring of 1947. Subject to various limitations, this branch served under both the normal and wartime emergency systems to pass upon the need for new positions and for replacements, the classification of positions, the rates of pay, and also upon the procedural methods and organization of the units.[28] In view of the increase in reclassifications from 1,700 in 1939 to about 17,000 in 1943, it can be seen that the branch has been heavily understaffed. Nearly half of this staff, most of whom were still holding temporary positions at that time, was composed of veterans in the spring of 1947. Despite the technical and responsible character of the work, little opportunity has existed for any in-service training, and none of the staff had special training in personnel work prior to selection.[29] In fact, the demands on the staff during the war period offered little opportunity for other than selection of persons who were to learn "by doing." Notwithstanding these handicaps, this branch has received able direction since the end of hostilities, and there has been considerable improvement in the character of the personnel and in the quality of its work.

The internal organization of the Commission still bears the stamp of the reasons for its creation, namely, as a check against the spoilsmen. Several of its various branches, divisions, and offices, some of which are to be explained chiefly by special historical circumstances, have continued to serve as checks on the others. Despite some recent changes, this basic feature and principle of the organization remains.

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[28] Unit surveys as required by sec. 4 of the Civil Service Act "involve the systematic examination of and report upon the duties, responsibilities and classification of each and every employee in a specified unit or recognized section of a department, the functions and organization of the unit, accommodation, office layout and lighting, forms, machines, methods and procedures used and followed in carrying out the work of the day." Complete surveys were made of most departments and units during the years 1935-1939, and were begun again in 1947.

[29] Canadian universities have not introduced courses and programs offering specialized training in personnel administration.

Recruiting problems early in the war led to the establishment of local offices of the Commission in Montreal, Toronto, Winnipeg, and Vancouver to serve for recruitment purposes. By 1943 these four local offices had grown into nine "district" offices and two "subdistrict" offices, and their services, which were originally designed for servicing the defence departments outside Ottawa, had been extended to meet general staff requirements. Under wartime conditions these offices acquired a considerable degree of autonomy. The subdistrict offices were to be abolished in 1947. With somewhat reduced staff and enlarged powers, the district offices will continue to serve as permanent offices. Plans had been made in 1947 to add classification and other functions to the duties of these offices. The managers of these offices are directly responsible to the Supervisor of District Offices, who has tightened the central controls and has improved the contacts with them.

There has been no devolution of Commission authority to the departments and agencies in Ottawa, except such as occurred by default under wartime conditions. In this respect, the Canadian developments during the post-hostilities period stand in some contrast to those in the United States.[30] Authority is still highly centralized and concentrated in the Commission.

In the internal organization of the Commission, two changes have been made since 1945. Increased power has been vested in the heads of the major branches in an effort to relieve the Commission of some of the detail which occupied a disproportionate part of its time during war years. A more important development has been the bringing together of those representatives from the Examination and Organization and Investigation branches who have jurisdiction over the same groups of employees or agencies. The object is to create a "unit system," a type of functional arrangement whereby officials who pass upon the need and duties of a new position will work together with those who are charged with the responsibility of filling it. This development, in the fall of 1946, was serving to reduce some of the long delays which have occurred in meeting requisitions for personnel. To fit in with this new internal arrangement, a partial reorganization of the Registry accompanied by the installation of new equipment to speed procedures was started.

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[30] Commission on Organization of the Executive Branch of the Government, *Personnel Management* (Washington, 1949), pp. 3, 15-16, 48-50; and *Federal Personnel* (Washington, 1949), pp. 20 ff.

The control functions of the Commission were its primary ones before the war and have remained such to the present. It is obvious that the Commission played a more important role in the affairs of those agencies which contained an appreciable percentage of permanents regulated under the Civil Service Act than it did over the wartime agencies which were largely regulated under the emergency system; at any rate it "rubber stamped" more of the actions of the strictly wartime agencies. A much smaller percentage of appointments was exempt from Commission approval during the period after 1940 than before.[31] At the same time this approval was frequently purely formal in character, especially in the case of wartime agencies regulated under the emergency system. During the war period the Commission served primarily as a central recruiting agency in which the competitive system was largely replaced by qualifying examinations and as an agency for the reclassification of temporary positions. The problem of the Commission at that time was to select the best persons available in a highly competitive labor market and to try to retain them, rather than to choose the ablest from a surplus of applicants or to prevent political favoritism.

There was a gradual reversion to pre-1939 practices in control matters during 1946-1947. The role of the Commission in such functions as promotion, transfers, and unit surveys was again in evidence. An increasing number of applicants for the declining number of positions in the public service was resulting in more competition for most categories of work.

The service functions of the Commission have always been secondary to the control functions. In-service training, however, received some encouragement during the war. Research activities are still in their infancy. Some new developments in public relations efforts had their beginnings in the war period in recruiting personnel, and these have been refined somewhat since 1945. Advice and assistance in organizational matters were rendered after 1939, when new governmental agencies were being set up. In some of the strictly war agencies, the assistance of personnel of the Commission was occasionally requested after the event to help straighten out the tangled personnel problems. While there has been continued interest in several of these service activities during 1946-1947, their expansion in the Commission will be difficult at a time when economy has become a slogan of the Government.

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[31] A return tabled in the House on April 17, 1947, showed that of 52,043 appointments to government positions since Jan. 1, 1946, some 44,186 had been filled through the Civil Service Commission (Ottawa *Evening Citizen*, April 18, 1947, p. 15).

There are differing opinions regarding the comparative position held by the Civil Service Commission in 1947 and in 1939. A number of ministers, deputy ministers, former public employees (especially industrialists who have returned to private industry), and others feel that its "prestige" declined after 1939. Some consider it an unnecessary Treasury Board appendage which served only as a retarding agency during the war. They point to the recommendations of the Gordon Commission calling for a reduction in the powers of the Commission as sound evidence. It is further maintained that the "independence" of the Commission has been disappearing and that the Commission has become more and more a sounding board and pressure agency for the civil servant associations and the Canadian Legion.

On the other hand, there are the more numerous defenders of the Commission, who point to the effective services of an overworked and underpaid staff after 1939. They maintain that the Commission's staff has been strengthened and that it has played a key role in the process of departmental adjustments during the reconstruction period. In addition, they point out that the Commission has retained the confidence and support of the civil servant associations and of most of the civil servants. They note the failure of economy spokesmen in 1947 to make the Commission one of their special targets for cuts in appropriations, as these spokesmen threatened to do for the Civil Service Commission in the United States. Finally, they observe that the Commission has not been the special target for partisan attack and appears to be ending a long and difficult period in a stronger position in the House of Commons than it held in 1938-1939 on the eve of the second World War, when the Commission was being investigated by the Special Committee of the House.

THE MINISTER AND DEPUTY MINISTER

The legal and extralegal relationships between the ministers and deputy ministers in the departments, on the one hand, and those existing between these officials and the senior civil servants and other public employees, on the other hand, have received considerable attention from students of parliamentary institutions. The political responsibility of the minister for the acts of his subordinates has undergone no outward change in recent years. The observations of Sir Robert L. Borden, when he was Leader of the Opposition nearly forty years ago, still hold true today:

> A Minister of the Crown is responsible, under the system in Great Britain, for the minutest details of the administration in his department; he is politically responsible, but he does not know anything at all about them. When anything goes wrong in his department, he is responsible therefor to Parliament; and if he comes to Parliament and points out that he entrusted the duty to an official in the ordinary course and in good faith, that he had been selected for his capacity, and ability, and integrity, and the moment that man has gone wrong the Minister had investigated the matter to the full and punished that man either by degradation or dismissal, he has done his duty to the public. That is the way matters are dealt with in Great Britain, and it is in that way, it seems to me, that our affairs ought to be carried on in this country.[32]

Borden might have added that even in these cases the minister's answers and the appropriate action recommended would have come from a public employee. In short, a minister may in fact be controlled by a group of employees for whom he in turn must stand politically liable.[33]

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[32] Quoted from Dawson, *The Government of Canada*, p. 208.

[33] A prominent Canadian minister described his wartime experience to the writer as follows: "Contrary to the opinion that it is the function of the civil servant to keep the Minister's feet on the ground, it is the function of the Minister to keep the civil servant's feet there."

Obviously, a great deal of the actual supervision of the employees for whose acts the minister must assume political responsibility falls into the hands of the deputy minister. The Civil Service Act specifically provides that the deputy minister of a department, who is appointed by the Governor in Council during pleasure, shall "subject to the directions of the head of the department, oversee and direct the officers, clerks and employees of the department," and "give his full time to the civil service."[34] However, the deputy ministers in the larger departments can keep themselves informed of only the major personnel developments and must depend upon subordinates for most of the direction. The other responsibilities of the deputy minister during wartime, when the personnel of departments was increasing rapidly, resulted in a corresponding reduction in the amount of attention which could be devoted to strictly personnel matters. The consequence was that already tangled and complex lines of responsibility running down from the deputy minister's office were often fouled, and improvised arrangements were frequent during a period of rapid transition.

Although deputy ministers are recognized as political appointees who hold office during pleasure, there has developed a tradition of continuity of service which can be explained both by British precedent and by the need for some permanent official to head a department.[35] This tradition has been nurtured in Canada during the long periods marked by infrequent shifts in party majorities in the House of Commons. In this respect the period after 1939 has brought no change, and there have been few criticisms of deputy ministers on strictly partisan grounds.

In other respects important change has occurred. One of the most acute observers in the capital city has commented on "how Ottawa has been transformed" by the deputy ministers and officials who were born in this century. "When the writer came to the press gallery sixteen years ago," he observed in 1945, "the average age of the deputy ministers was 62 years.

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[34] Sec. 7.

[35] See J. A. Corry, *Democratic Government and Politics* (Toronto, 1946), pp. 296-297.

Too often in the past the chief qualification of the senior heads has been a long period of faithful, if perhaps uninspired service," or "yeoman service" as a politician.[36] During the years following 1929, however, the average age has fallen greatly at the same time that "a revolution has been quietly taking place" in the caliber of the deputy ministers. Most of the recent appointments up to the end of 1947, Mackenzie as Deputy Minister of Trade and Commerce, Davison as Deputy Minister of Welfare, Cameron as Deputy Minister of Health, Bates as Deputy Minister of Fisheries, Keenleyside as Deputy Minister of Mines and Resources, Turnbull as Deputy Postmaster-General, and Pearson (and his successor Heeney) as Under-Secretary of State for External Affairs, accelerated this emphasis on youth and ability. Much of the strength of the Canadian administrative system lies in the quality of the deputy ministers, who, with few exceptions, are an able group.

The degree and nature of the control which the minister and deputy minister have exercised over their subordinates during the war and postwar period have depended upon a number of factors. Included are the number of employees, the type of departmental organization, the complexity of the services, and the urgency with which action had to be taken. It is clear, however, that the practices in the departments have varied with the type of minister and deputy minister. In 1947 the more politically "flexible" ministers headed the departments where the lowest employee morale was to be found. Such employee controls as were exercised from the top in these cases were tinged with political interference and personal favoritism.

Subject to these broad and intangible considerations which affect personnel policies, the departments and agencies have followed widely divergent practices in the creation and use of personnel offices. In certain of the older departments there is no personnel officer by name, the work being performed by some type of clerk or executive assistant who handles personnel matters in a routine way along with his other duties. In other cases personnel offices have been provided. Some appeared suddenly in wartime agencies.

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[36] Wilfrid Eggleston, "Parliament Also Operating with Hand Tools in a Machine Age," *Saturday Night*, LX (Feb. 24, 1945), 8; cf. the observations of Lord Bryce at an earlier date in *Canada: An Actual Democracy* (Toronto, 1921), p. 8.

The history of the personnel office of the Department of Munitions and Supply will indicate the growing pains which one particular office experienced. Between September 15, 1941, when the Organization and Personnel Branch was created in that department to replace the Personnel and Equipment Division of the deputy minister's office, and September 24, 1943, there were no fewer than eight different directors or directors-general of personnel work.[37] During the period between 1940, when it was established, and the end of 1945, when this department went out of existence, a succession of experiments between those charged with "organization" work and "personnel" work followed each other in rapid succession. Great quantities of data and an untold number of reports, surveys, etc., many of them meaningless, emanated from these offices during that period.

Whether these personnel offices have been the product of development by accident and accretion or a deposit left by the war period, they have varied widely in their administrative position in the department, in their composition, and in their functions. Most of them have been staffed by clerical officials with the amount of routine paper work determining the size of the staff. In some departments, such as the Department of National Health and Welfare, there has been one personnel office for the entire department. In others, as in the Department of Agriculture, personnel matters have been handled separately in each major service. The Department of Public Works had no personnel officer as such in 1946, and the "work for the whole Branch" filtered "through three officers, the Deputy Minister, the Assistant Deputy Minister and the Secretary, with the greatest amount being handled by the Assistant Deputy Minister."[38] The Civil Service Commission, which grew to 750 employees at one time, has never had a regular personnel officer. The patronage-ridden Income Tax Division, Department of National Revenue, finally appointed a Director of Personnel and Organization in 1947.[39] In only a few cases, as in the Department of Transport, did the head of the personnel office deal directly with the officials of the Civil Service Commission and the Treasury Board.

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[37] *Monthly Report* (Munitions and Supply), Sept. 24, 1943.

[38] Organization and Classification Branch, Civil Service Commission, *Statement of Duties and Organization Chart, Department of Public Works* (Prepared for Royal Commission . . . 1946), p. 4.

In two or three instances the personnel offices in 1947 were headed by trained persons who played a key role in the employment policies as well as procedures and who were acquainted with most of the newer personnel techniques. One illustration could be found in the Department of National Health and Welfare. There were individual personnel officers as in the Department of Transport, Unemployment Insurance Commission, and Department of National Revenue, who brought some new influences to bear in the whole Department. There have been considerable improvements in procedural methods, as in the Department of Labour, and some experimentation, such as those with efficiency records, in the Department of Veterans Affairs. There was additional understanding of the possible usefulness of personnel offices which did not exist in 1939, or even in 1945. But by and large, the personnel offices either do not exist as such or they are inadequately staffed by untrained and unimaginative clerical personnel who work in an atmosphere of low prestige and lack of appreciation. Their slant is still directed at improvements in procedural methods rather than in the application of new counseling techniques or of welfare activities. The "existing machinery and procedures for the administration of personnel matters," the Gordon Commission correctly observed in 1946, "are generally rudimentary in form and routine in operation."[40] The period from 1939 to 1947 furnished a leaven but only the merest beginnings of change.

One type of employee which the demands of the war fitted with considerable pain into a departmental cloak was the "top executive," who came from private industry into various of the wartime departments and agencies. The Department of

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[39] *The Financial Post*, XLI (Aug. 2, 1947), 1.

[40] *Report*, 1946, p. 21. Cf. Commission on Organization of the Executive Branch of the Government, *Federal Personnel*, pp. 87 ff. for an appraisal of personnel offices in the United States.

Munitions and Supply, along with the crown companies organized under its aegis, and the Wartime Prices and Trade Board secured the services of the largest percentage. Aside from a minority who were influenced primarily by other considerations, most of them made considerable personal sacrifices during the war (which they occasionally felt should be won in accordance with their own formulas). Certainly a heavy contribution was made by these men, some 438 of whom were listed in the "dollar-a-year" class by the Census of Government Employees in 1943.

Many of these "top executives" rebelled against what they termed the "red tape" and "absurd restrictions" of the "civil service system." After a short trial, some left the government service in disgust. Others made more or less unwilling adjustments.[41] The creation of the crown companies under the Department of Munitions and Supply was partially due to the search for some device whereby the services of such persons could be fitted into a "private industry" atmosphere. The result, as in the United States, was a continual conflict between these officials and the Civil Service Commission or Treasury Board, as well as controversy between them and the personnel offices where the offices exercised any control.

There were two outstanding clashes between this group and the "civil service system." The one involved Elliott M. Little, who was appointed to the post of Director of National Selective Service in March, 1942. Little apparently felt that he should have an open hand in selecting the several thousand employees[42] needed for this task which he broadly defined. Whatever the merits of his demands, they were not met, and in the fall of 1942 Little resigned.

The second episode was the result of the efforts of certain officials in the Wartime Prices and Trade Board,[43] including the comptroller, to free themselves from the regulations of the Civil Service Commission. After a period of reasonably satisfactory working relations between the Board and the Commission in 1941-1942, there developed repeated and justified complaints in 1943 of serious delays by the Commission on appointments, promotions, reclassifications, and reassignments.

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[41] Some of the businessmen in the ranks below the "top executive" class made such happy adjustments in terms of compensation and other considerations that they have made every effort to remain in the public service.

[42] See the Minister's references to the employment by Mr. Little of persons "on the street" and of his failure to conform to regulations (Commons, *Debates*, July 8, 1943, pp. 4531-4533). The Conservative opposition insisted that Little was merely trying to cut "red tape" and speed action (*ibid.*, June 24, 1943, pp. 4000 ff.).

The inarticulate major premise back of these complaints was that the Board should be run along private business lines, at least in the matter of employing and dismissing personnel. It was consequently felt that the Board, as a temporary agency with rapidly changing personnel problems, should not be subject to the checks of the Commission, for the sake of obtaining speedy decisions and action. This position could not, of course, be legally accepted by the Commission. In July, 1945, at the time of the reimposition of meat rationing, the exemption of the Board from the jurisdiction of the Civil Service Commission was finally secured.[44] The action taken in the case of the Board was the major instance of the complete exemption of a wartime agency from the jurisdiction of the Commission,[45] that is, with the exception of the crown companies.

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[43] On major aspects of the work of the Board, see the excellent article by K. W. Taylor, "Canadian War-Time Price Controls," *Canadian Journal of Economics and Political Science*, XIII (Feb., 1947), 81-98. Mr. Taylor succeeded Donald Gordon as Chairman of the Board in April, 1947. Note also R. MacGregor Dawson, *Canada in World Affairs, 1939-1941* (Toronto, 1943), pp. 135 ff.

[44] Efforts were made after the change to keep the salaries of the clerical and stenographic personnel in line with those in other government departments. The salaries of the higher-paid officials were well above the general average for persons doing comparable work in other agencies. In April, 1947, Mr. Ilsley, then Minister of Justice, opposed moves to bring the remaining staff of the Board under the jurisdiction of the Civil Service Commission (Commons, *Debates*, April 17, 1947, pp. 2188-2189). The previously existing arrangements were extended in 1947 under the Continuation of Transitional Measures Act (*Statutes of Canada*, 1947, c. 16).

[45] Little consideration seems to have been given to the possible effects on the subordinate personnel of the Board, some of whom expressed themselves bitterly regarding the action in 1945. They felt that the several thousand temporary employees were placed at serious disadvantage in retaining their comparable positions or in securing new ones, as compared to temporaries who had a "status" with the Civil Service Commission during the period of reconversion.

EXEMPT AGENCIES

Certain of the "exempt agencies," including a number of boards and commissions, do not fit into the type of departmental pattern which has been outlined. The growth of these boards and commissions can be explained by suspicion of administration by regular government departments, a desire for continuity of policy, special political considerations, the guarantee of "independence" from the Government, and the assumption of the temporariness of an activity to be regulated. Each one possesses certain distinguishing characteristics and exhibits some differences in the type of relationships to Parliament, the Governor in Council, and the Civil Service Commission. Only three illustrations, two of them of boards and commissions, can be given.

The National Research Council ("Honorary Advisory Council for Scientific and Industrial Research"),[46] which has grown rapidly in importance during the years 1939-1947, traces its origin back to the first World War, when the Council was set up to serve largely in a reportorial and advisory capacity.[47] In 1924[48] the original Research Council Act of 1917 was amended to permit the Council to serve as both a research and operating agency. The only other statutory change occurred in 1946,[49] when the Council was authorized to incorporate companies under the Dominion Companies Act, 1934, and to make certain internal organizational changes, including the establishment of an executive committee. The president, who acts as the "chief Executive Officer," two vice-presidents, and not over seventeen other members are appointed by the Governor in Council to constitute the Council.

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[46] The information in this paragraph is based upon discussions with Dr. C. J. Mackenzie, the President, and S. P. Eagleson, Secretary of the National Research Council, and other officials.

[47] *Report of the Administrative Chairman of the Honorary Advisory Council for Scientific and Industrial Research of Canada*, 1918, Appendix E.

[48] *R.S.C.*, 1927, c. 177, especially secs. 10 ff.

[49] *Statutes of Canada*, 1946, c. 31, especially secs. 3-4, 9. The Chalk River and Deep River plants, created for processing uranium ore and for other purposes, were originally built by Canadian Industries, Ltd., but are now under the jurisdiction of the National Research Council. The taking over of these plants helps explain the heavy increase in listed personnel of the National Research Council in 1946-1947. For a summary of more recent activities of the Council, see "The Work of the National Research Council in 1948," Information Division, Department of External Affairs, Reference Paper No. 38.

The increase in personnel from approximately 300 in 1939, to 1,500-2,000 during the war period, to over 2,500 in July, 1947, necessitated a number of internal organizational changes. About 500, or one fifth of the personnel at this date in 1947, were classed as scientific. The average age of the scientific staff, which was between 29 and 30, stood in sharp contrast to the very high average age of scientific and professional workers in other government departments and agencies.

Subject to the approval of the Committee of the Privy Council on Scientific and Industrial Research, the National Research Council is empowered "to appoint such scientific, technical and other officers as shall be nominated by the President, and to fix the tenure of such appointments, to prescribe the several duties of such officers, and, subject to the approval of the Governor in Council, to fix their remuneration." The President exercises the power of "nomination" to all types of positions through a Selection Board, selected from the Advisory Council, which chooses from among lists of candidates submitted to it by the Director of Personnel (Executive Assistant to the President: Personnel).[50] In the preparation of these lists the Director of Personnel works closely with the directors of divisions. On the positive side this method of selection has produced a good caliber of scientific employee, and on the negative side has effectively eliminated earlier pressure for patronage appointments which plagued the Council on occasions in the past.

The only relations with the Treasury Board involving personnel matters occur when the estimates are being drawn up and when positions are originally authorized. The relations with the Civil Service Commission are extralegal and informal, as when a complete reclassification was done in 1938, upon the Council's request, by the Commission, or when representatives of the National Research Council participate at the request of the Civil Service Commission in the work of selection boards for scientific and technical personnel.

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[50] Note Minister Howe's justifications for not bringing the Council under the provisions of the Civil Service Act (*Institute Journal*, XXV [June, 1946], 158 ff.). Civil Service Commission officials recognize the validity of these arguments for the technical and scientific personnel of the Council, but do not accept their validity as applied to clerical and stenographic personnel.

From 1935 to 1947 no appointments to permanent positions were made. Instead, "term appointments" of three or occasionally five years' duration were used in order to encourage fluidity of the staff. No superannuation rights were provided for these "term appointees." However, in 1946-1947, arrangements were being made to bring the clerical staff under the regular Civil Service Superannuation Act, while the scientific employees were to be provided for under a scheme which combined Dominion government annuities and commercial pension schemes. The amendments to the Civil Service Superannuation Act in 1947 caused a reconsideration of these previous efforts, and arrangements had been made by September, 1947, for all categories eligible to take advantage of its liberal provisions. The result will be the replacement of the "term appointees," who have often been permanent in fact through frequent reappointment, by the permanent appointee again.

Ease of exchange of personnel with universities and with other government agencies, especially for the scientific workers, has been considered to further the long-range aims of the Council. The President of the National Research Council has consequently chosen to adapt the personnel practices and procedures of the Council more to those of an advanced educational institution than to those of a government department.

The National Film Board is an agency which can trace its origin to the period of the first World War, when the Exhibitions and Publicity Bureau of the Department of Trade and Commerce was created in 1917. The statute establishing the National Film Board and authorizing it to produce films, posters, etc., in Canada and abroad, as well as to perform certain graphic services for the government departments, was enacted on May 2, 1939.[51] Under the act, the "Government Film Commissioner" is appointed by the Governor in Council upon the recommendation of a National Film Board, composed of two ministers, three persons from "outside the Civil Service of Canada," and "three from officials of the permanent Civil Service or of the Civil or Defence Services of Canada."[52] Broad authority is vested in the commissioner, according to interpretations of the act by the Department of Justice, to appoint temporary personnel. The number of employees grew from some 30 members in 1939 to 670 in early 1947. Apparently 40 of this latter number were permanent or temporary "civil servants," who were in agencies transferred at one time or another to the Board.

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[51] *Statutes of Canada*, 1939, c. 20; *Canada Year Book*, 1947, 304-306.

Up to 1944 personnel matters were in the hands of a number of scattered officials, but in that year a Personnel Manager directly responsible to the commissioner was selected. Efforts have been made to center all personnel matters in this office, including appointments, promotions, and dismissals, but these developments are still in their early stages. Unit surveys, which had been planned for 1947, were eliminated because of cuts in the estimates. Continuing personnel problems have been raised by the "civil servants,"[53] the casual employees, the employees outside Ottawa, and the employees who are members of trade unions. There is a general recognition that the National Film Board has possessed an unsatisfactory legal position which has been reflected in the internal organization and in the employment policies of the Board. This fact will explain the agitation in the House of Commons to transform the National Film Board into a crown company, with a status comparable to that of the Canadian Broadcasting Corporation.[54]

The Royal Canadian Mounted Police (R.C.M.P.)[55] has had its own special type of organization under the control of a commissioner who is appointed by the Governor-General "by commission" and who reports through the Minister of Justice. The control over this national police force resembles that of a military force. The lack of wartime recruitment, in part occasioned by the unwillingness to compete with the armed forces, is reflected in the shifts in the strength of the "uniformed section" which increased only 11 per cent between March 31, 1939, and March 31, 1944, when it numbered 2,868. By 1946 this number had fallen to 2,629,[56] and the age for entering the service was reduced from 21 to 18 in order to attract recruits. After a short period when the qualifications were lowered, they were restored to the prewar level.[57] There were 441 "civil servants" listed on the pay roll of the R.C.M.P., of whom only 63 were permanents. The bulk of these were in clerical and stenographic work and had been recruited by the Civil Service Commission.

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[52] *Ibid.*, sec. 3.

[53] All "Civil Service matters" are handled by the Senior Administrative Officer because of the special procedures involved, which are characterized by the Personnel Manager of the National Film Board as "so complicated that even the Civil Service Commission personnel get lost in the maze" (N.F.B. Personnel Department, *The Functions of the Personnel Department* [mimeographed, Jan., 1947], p. 7).

[54] Ottawa *Evening Citizen*, Dec. 17, 1947, p. 18.

[55] *R.S.C.*, 1927, c. 160. "The Commissioner of Police shall, under the Minister, have the control and management of the Force and of all matters connected therewith" (sec. 10).

In 1945 a "Personnel Section" was established for the first time and was originally headed by officers on loan from the Department of National Defence. By 1947 this personnel work, which was still in experimental stages, had been taken over by regular members of the R.C.M.P. staff, and some efforts were being made to introduce newer personnel methods.[58]

A few generalizations may be made regarding the various boards, commissions, and agencies exempt from the provisions of the Civil Service Act. The final control over these governmental bodies is exercised without the intermediation of the Civil Service Commission. On request the Civil Service Commission performs services in an extralegal capacity. Certain matters affecting positions, "exempted" by the Civil Service Commission, which are found in these outside bodies, continue to fall under Commission jurisdiction. Patronage is largely absent in the National Research Council and the R.C.M.P.;

[56] *Report of the Royal Canadian Mounted Police*, 1944, pp. 11-13; 1946, p. 12. The "total strength," which included "special constable guards," "employed civilians," and "civil servants," was 3,585. "Security Service Officers" received from the armed forces during the war were returned to their units shortly after VJ-Day by the R.C.M.P. (*ibid.*, 1946, p. 8).

[57] See Justice Minister Ilsley's comments in Commons, *Debates*, June 27, 1947, p. 4902. The "total strength" declined slightly in 1947-1948 and reached the figure of 3,092 on May 31, 1948 (Commons, *Debates*, June 8, 1948, p. 4923).

[58] Information as of Feb. 7, 1947, furnished by Commissioner S. T. Wood, and Departmental Secretary J. T. Hann of the R.C.M.P.

it creeps in under the National Film Board. There is a touch of newness about the personnel offices which have been recently established in the National Film Board and the R.C.M.P. As in the regular government department, they have yet to win a position of importance.

CO-ORDINATION OF PERSONNEL POLICIES AND PROCEDURES

One outstanding characteristic of the Canadian public service has been the absence of arrangements for co-ordinating the personnel policies and procedures. At the policy level, it is true, the Cabinet is a place where the heads of the government departments meet and where the broad governmental policies regarding personnel are discussed and decided upon. Special Privy Council or Cabinet committees, of which the Treasury Board is the most important, and subcommittees, on which senior departmental officials may be included, also allow for joint discussion.[59] An "interdepartmental committee" composed of the Chairman of the Civil Service Commission, the Auditor-General, and the Comptroller of the Treasury functioned in 1946-1947 to advise the Cabinet Committee on Civil Service Reductions on ways and means of reducing the number of employees. Investigations, such as those by the Gordon Commission, furnish occasion for an exchange of information and ideas. But, as a rule, each department and agency pursues its own independent role, jockeying between Civil Service Commission and Treasury Board.

Though some recent proposals for closer co-ordination have been made, there have been only a few developments in this direction. The National Joint Council, which will be discussed later, was designed in part to furnish a forum for the discussion of personnel problems by representatives of both the staff and official sides. There are occasional interdepartmental committees which deal with special public employee problems. In April, 1947, such committees were discussing informally the problem of leave and of improved health facilities for the public employees. There was also an "interdepartmental panel" which was established to advise the Government in a confidential manner on security measures to be taken in recruiting and in checking employees.[60] The departments of Trade and Commerce and External Affairs have arrangements for committees to deal with joint problems involving the allocation of functions between the officials of those departments who are in service abroad.[61]

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[59] A. D. P. Heeney, "Cabinet Government in Canada: Some Recent Developments in the Machinery of the Central Executive," *Canadian Journal of Economics and Political Science,* XII (Aug., 1946), 294-295.

The chief advance has been through the creation in 1947 of a Public Personnel Institute consisting of personnel officers or representatives from most of the government departments. In addition, members of the Civil Service Commission staff participate. Without any official sanction, this purely advisory body has served to permit discussions of common personnel problems and an exchange of information on the widely differing personnel practices and procedures. New regulations of the Civil Service Commission are submitted here on occasion for criticism. The educational value of these joint meetings has been considerable, and they have served as a stimulus for the introduction of some new procedures.

The co-ordination and dissemination of pertinent information is complicated by the lack of centralization of a number of personnel functions.[62] In addition to those mentioned, the Unemployment Insurance Commission plays a role in handling unemployment insurance; provincial organs are relied upon to pass upon workmen's compensation claims of federal employees; the Department of Labour sets the rates for many prevailing-rates employees; the Department of Public Works looks after the work environment; the Department of National Health and Welfare has a Civil Service Health Division, and a Superannuation and Retirement Branch is located in the

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[60] See External Affairs Minister St. Laurent's comments in Commons, *Debates*, April 14, 1947, pp. 2051-2052. Furthermore, its responsibility is not construed to relieve the departments of their individual responsibilities in security matters. The Civil Service Commission has general jurisdiction over these matters for employees covered in the Civil Service Act, sec. 4(a), but it does not have authority over the employees of the exempt agencies.

[61] On interdepartmental committees, see Clokie, *Canadian Government and Politics*, p. 177.

[62] See William E. Mosher and J. Donald Kingsley, *Public Personnel Administration* (rev. ed.; New York, 1941), p. 90, for a list of "functions of a personnel agency."

Finance Department. There has been no tendency to unify these functions in the hands of a single agency.

THE REPORT OF THE ROYAL COMMISSION ON ADMINISTRATIVE CLASSIFICATIONS IN THE PUBLIC SERVICE (GORDON COMMISSION), 1946

The problem of control of the principal public service employees was the central point in the investigation and report made by the Gordon Commission in 1946. This commission was provided for in February of that year[63] and was composed of three members: Walter L. Gordon, a member of a leading Toronto firm of industrial engineers and consultants, as chairman; Major General Edouard de B. Panet, a retired official of the Canadian Pacific Railway Company; and Sir Thomas Gardiner, of the United Kingdom Civil Service and former head of the Post Office. Working within limited terms of reference,[64] which it interpreted broadly, the Commission found four chief organizational defects in the "Canadian Civil Service":

> 1. There are not enough men of high calibre in the senior and intermediate grades. This means that the Deputy Ministers and other principal officials—we suggest Ministers as well—are unable to delegate to others as much work as they should, with the result that they are themselves seriously overburdened.
> 2. There is no clear-cut assignment of responsibility for the overall management and direction of the service. As a result there is no effective machinery for adequately training, seeking out, transferring and promoting able men and women in the junior and intermediate ranks of the service.
> 3. There is no machinery capable of dealing decisively and promptly with the changes in organization which are needed continuously in any institution as large and varied as the Canadian Civil Service or with the problem of redundant, unsuitable or incompetent personnel.
> 4. There are very considerable delays in making appointments and promotions at all levels of the service.[65]

Among the changes recommended by the Royal Commission, one proposed that the Civil Service Commission should be retained as an "independent and separately constituted body," but that its functions should be reduced primarily to those of recruitment and appointment. Most of the exempt boards, commissions, and agencies, as well as their employees, should be brought under the Civil Service Act. An Establishments and Personnel Division should be set up in the Treasury Board.[66] It would be headed by a director-general who, assisted by an advisory committee, would be given broad powers over "organization of departments including establishments and rates of pay" and other matters. With the concurrence of the director-general, the jurisdiction of the deputy ministers over promotions of administrative, scientific, technical, and professional personnel was to be final; and the responsibility of the ministers for disciplinary measures in their departments was to be increased. The distinctions between "permanent" and "temporary" employees were to be changed.

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[63] P.C. 563 of Feb. 15, 1946.

[64] See *Report*, pp. 5-6. On the procedure of the Commission and special material available for its study, note *idem*.

[65] *Ibid.*, p. 11.

These major recommendations of the Royal Commission would result in the transfer of the Organization and Investigation Branch of the Civil Service Commission to the Treasury Board. They would also reduce the functions of the Civil Service Commission towards the position occupied by the Commission in Great Britain, and would increase the powers of the ministers and deputy ministers over their departmental personnel.[67]

The *Report* has been a continuing subject of bitter controversy since its issuance. It has been highly commended by a majority of the ministers and by a number of the deputy ministers (which group, as a whole, was sharply divided in appraisals). The initial press reactions were generally favorable.[68] Aside from a number of senior civil servants, heavily concentrated in the departments of Finance and External Affairs but scattered throughout the service, there was little support for the *Report* among the public employees. The civil service associations accepted certain individual recommendations but were violently hostile to the *Report* in its entirety.[69] Sections of the *Report* have been attacked by the Canadian Legion.

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[66] It is to be noted that this division would be located legally under the Treasury Board and not in the Department of Finance. This division would, according to the views of the chairman of the Gordon Commission, have its own separate staff. At the present time all of the members of the staff of the Treasury Board are employees of the Department of Finance; in other words, there is no separate Treasury Board staff.

[67] Cf. these recommendations with those made by the Beatty Commission in 1930. Note *Report* (Ottawa, 1930), especially pp. 17-24.

[68] A selected list of editorials from Canadian newspapers is included in the *Institute Journal*, XXV (Sept., 1946), 206 ff.

Part of the criticism has been directed at the origin of the Commission, part at the procedure which was followed, and part at the contents of the document itself. As to the origin, it was charged that two or possibly three officials who desired a greater degree of departmental autonomy in personnel matters, as well as other changes, concluded that a convenient instrument for recommending these changes would be a Royal Commission. The Prime Minister's approval was secured, and a hand-picked group of individuals was nominated for the purpose.[70] In fact, there was little basis for this version of the origin of the Commission. Nevertheless, the existence of a widespread belief in this account was in itself a fact of some significance.

Regarding the procedure, it has been contended that Sir Thomas Gardiner was the only member of the Commission to give full time to his work, and it was his well-known views which were most prominent in the completed document. The fleeting study made of the system in the United States was entrusted to him and to General Panet, the latter well-meaning but limited in his knowledge of administrative matters. These men, unaccompanied by the chairman or secretary, made a flying trip of a few days to Washington for an "over-all view" of the budget and personnel system. All of the hearings of the Royal Commission were secret except those of the Chairman of the Civil Service Commission, the Assistant Deputy Minister of Finance, representatives of the civil service associations, and a few others.[71]

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[69] See *Civil Service Review*, XIX (June, 1946), 108 ff., and XIX (Dec., 1946), 228 ff.; *Civil Servants Digest-Organizer*, XXV (Aug., 1946), 2-3, and XXVI (Jan., 1947), 4-5; *Civil Service News*, XXIV (Aug., 1946), 181. The Professional Institute of the Civil Service of Canada expressed qualified approval of the basic recommendations involving the Establishments and Personnel Division at first, but quickly cooled. Cf. *Institute Journal*, XXV (Sept., 1946), 190 ff., with XXV (Nov., 1946), 247.

[70] Those responsible for recommending the names to the Governor in Council explain the membership as based on a desire to include a Canadian businessman with experience in the public service, a well-known French Canadian with a military background, and an expert on civil service matters from the country whose system was the most highly regarded in Canada.

The civil service associations attacked particularly those provisions which reduce the powers of the Civil Service Commission in favor of either the new Establishments and Personnel Division in the Treasury Board,[72] or of the departmental ministers and deputy ministers. Their fears were partly based on a deep-seated suspicion of the Treasury Board, as compared to the Civil Service Commission, and a fear that the weakening of the Commission would result in an increase of political patronage and personal favoritism. The Income Tax Division of the Department of National Revenue was cited as a case in point.[73] Some of the opposition to the Treasury Board stemmed from a belief that its staff had been arbitrary and secretive and, above all, had said "no" as a matter of habit. There was also a suspicion of any changes which might in some way ultimately lead to a reduction in the emphasis upon the system of promotion from the ranks.

An unorganized but politically effective opposition to an increase in the functions of the Treasury Board came from a number of French Canadians. It was felt by them that major Treasury Board recommendations would emanate largely from the Department of Finance, whose employees included few French-speaking members among its senior personnel.[74] The staff which performs Treasury Board functions had at that time no French-Canadian members in any position of major responsibility. The Canadian Legion particularly opposed that part of the *Report* which proposed modifications in the system of veterans' preference.[75]

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[71] Mr. Gordon has explained to the writer that this procedure was necessary to secure frank discussions, and that every person invited was allowed a choice between an open or closed session.

[72] This point was obviously meant when Professor Alexander Brady characterized the *Report* as having "an evident bias for treasury control" (*Democracy in the Dominions*, p. 244).

[73] This Division is cited as the chief illustration of the continuing danger of political patronage and influence in selections and promotions in departments where the jurisdiction of the Civil Service Commission is either restricted or eliminated. See above, pp. 21-22.

[74] In Sept., 1947, there were six French-Canadian employees above Clerk Grade 4 out of a total of seventy in the entire Department. Only one of these was occupying a particularly "key" position. Officials of the Department of Finance report that their continuing efforts to recruit a larger percentage of qualified French Canadians for the specialized work of the Department have not been successful. For recent efforts to recruit bilingual "Finance Officers, Grades 4 and 5" ($4,500-$6,000), see list 1341 of Aug. 25, 1947.

Some Civil Service Commission officials maintained that the *Report* would lead to an undesirable division of control over lower- and higher-paid personnel between two agencies. Promotions of the lower-classified employees by the deputy ministers or heads of agencies would require the concurrence of the Commission, whereas those of the higher officials could be taken with the approval of the new director-general. This division in responsibility on the basis of classification, they argued, could not be justified. In addition, recruiting functions should not be separated from organization and classification functions, and their present combination in the hands of an independent agency was preferable to their separation, as proposed in the *Report*.

Whatever the merits of the conflicting points of view, the *Report* will require legislation amending the Civil Service Act in order to be implemented in full. At a time when its majority in the House of Commons was small, the Government has been careful to avoid proposing changes which Opposition parties might charge were aimed at the merit system.[76] Though several ministers, including the Minister of Finance, insisted that the major recommendations in the *Report* would be carried out, there was no move by August, 1947, toward implementation except in granting the salary increases recommended. The other questions raised by the Royal Commission may well be decided less on their merits than on considerations of political expediency. But even if no additional action is taken, the *Report* will have served the useful purpose of pointing out some of the major difficulties in the operation of the present "dual system" of control.

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[75] At p. 25.

[76] It is to be noted that Mr. Bracken, Opposition Leader in the House, declined an invitation to appear before the Gordon Commission, so that he would be free to criticize any report. Mr. Coldwell, C.C.F. Leader, and Mr. Low, Social Credit Leader, on the other hand, both appeared. Mr. Coldwell criticized certain parts of the *Report* in discussion with the writer.

· IV ·

Dominion Civil Servants: Employment Conditions

MOST federal employees may be grouped into the not entirely exclusive categories of permanent employees under the Civil Service Act, temporary employees under the Civil Service Act (and under emergency legislation prior to March, 1947), prevailing-rates and casual employees, and employees of the crown corporations and companies. The present chapter will be devoted to a discussion of the permanent and temporary employees who are most commonly referred to as "civil servants." Subsequent sections and chapters will deal with the prevailing-rates and casual employees and with the employees of the crown corporations and companies.

SELECTION

At the beginning of the war in 1939, the Civil Service Commission, acting as a recruiting agency, was playing a central role in a competitive public service system. By the middle of the war period it had become primarily a qualifying agency. Its chief function had shifted from that of selecting the best qualified from among the surplus of competing applicants to one of recruiting from an ever-diminishing supply of individuals who met minimum qualifications.

A number of expedients were tried. In the case of the clerical, stenographic, and typing classes, arrangements were made for giving field training in those skills which recruits might possibly utilize in Ottawa. Borrowing from earlier American practices, recruitment and examination procedure for local positions was decentralized in the hands of the district and subdistrict offices which had their beginnings in 1941. The payment of a part of the railway fare to Ottawa and to other cities where the worst personnel shortages existed was approved. After September, 1943, housewives were encouraged to accept part-time employment as clerks and stenographers. In co-operation with various civic agencies, an intensive publicity campaign was undertaken. The use of radio and paid advertising in newspapers was extended. Housing accommodations were secured in order to attract more employees of the lower grades. Limited efforts were also made during the early part of the war to secure recruits, especially technicians, in the United States.

The primary reason why the Civil Service Commission had to resort to such practices was, of course, the competitive and ever-increasing demands of industry geared to the maximum production of goods for war purposes. In addition, the National Selective Service operated to reduce the number of eligibles available to fill vacancies. In 1941 males between the ages of 18 and 45 were, except in unusual cases, made ineligible for appointment in the public service unless they were declared physically unfit or unless they had been discharged from the armed services on this ground.[1] However, some belated relief from the rigidity of this rule, which had seriously hampered recruiting efforts, was provided in 1944, when the upper age limit was reduced from 45 to 37.[2] These various factors will help explain the previously indicated increase, both relative and absolute, of women in the federal services.

By 1942 the rate of turnover in the public services, and especially in the newer wartime agencies, had, in the words of the Civil Service Commission, become "alarmingly great."[3] Among the reasons given were "enlistments, both male and female, marriages and more attractive compensation conditions in industry." By 1943 the turnover rate had "assumed even greater proportions."[4] In that year the approximate turnover rates were 45 per cent in the Department of Munitions and Supply, 44 per cent in the Wartime Prices and Trade Board, and 28 per cent in the Unemployment Insurance Commission. In the same year over seven thousand replacements were needed in Ottawa alone.[5] The rate was highest among the women in the lower salary brackets, but part of the explanation lay in the temporary character of virtually all the wartime positions.

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[1] P.C. 4759 of June 27, 1941.

[2] *Annual Report of the Civil Service Commission of Canada*, 1944, p. 7. (Hereinafter cited as *Annual Report.*) The change actually resulted from the reduction of the age limit of "persons of military service" to 37.

[3] *Ibid.*, 1942, p. 5.

[4] *Ibid.*, 1943, p. 5.

Various efforts were made to cope with this turnover, such as the granting of high selective service priority ratings and the "freezing" of many employees in their public service positions. In the latter case permission would be given to secure employment in an industry with a sufficiently high labor priority or to enlist in the armed forces. "Poaching" by one department on another, especially practiced in an aggravated form during the early part of the war by service departments, which offered commissions with lavish hand, was subjected to legal restraints.[6]

The urgent need for personnel in some of the more aggressive wartime agencies led them often to act on their own initiative and to ask questions afterwards. By 1942 the Personnel and Organization Branch of the Department of Munitions and Supply was reporting as follows:

> Because of the difficulty in obtaining suitable personnel through the Civil Service Commission it was decided to send a member of the Personnel Division to the Western Provinces with an idea to recruiting employees from this part of the country. . . . Over 1500 applicants were interviewed and of these, 500 odd were chosen to fill present or future positions in the Department.[7]

Again, in 1942, an official reported that "when the Air Force wants 50 or 100 grade 1 Clerks, Typists or Stenographers, and the Civil Service Commission cannot supply them within a week or ten days, they advertise themselves, test the applicants and notify the Civil Service Commission the dates on which they started to work."[8]

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[5] According to the Wartime Information Board, *The Civil Service Commission*, Reference Paper No. 32, Jan. 19, 1944, p. 6. These figures would apparently include replacements for *all* vacancies, however created. Consequently, many were probably for employees who were upgraded or who went to other departments.

[6] Commons, Special Committee on War Expenditures, 1940-1941, *Minutes of Proceedings*, No. 12, pp. xiv-xv; P.C. 6/4937 of July 9, 1941.

[7] "Summary Five Months Ended August 31st, 1942" (typewritten), p. 1.

While these were extreme cases and final Civil Service Commission approval was necessary,[9] they do indicate the methods, additional to those of the Commission, used in recruitment. They also illustrate the wartime policy of the Commission to rubberstamp a considerable percentage of the appointments which were made during the war in the newer agencies, although the Commission would never formally recognize a devolution of final authority to these bodies. The nearest to this recognition came in the loan of several Commission officials to such departments as Munitions and Supply and National Defence: Air Services, who were authorized to act for the Commission in certain vaguely defined respects.

New recruiting techniques were used for securing veterans with overseas service and some specialized types of personnel. In 1944 representatives were sent to England, Belgium, and Italy to recruit members of the armed services for the Department of Veterans Affairs and for the diplomatic and foreign trade services of the departments of External Affairs and Trade and Commerce.[10] Donald Gordon, Chairman of the Wartime Prices and Trade Board, and the Honorable C. D. Howe, Minister of Munitions and Supply, were personally responsible for the recruitment of most of the "top executives" who were brought into the public service from private industry. Social scientists, especially economists, were in demand; and there was a steady stream of these men to Ottawa for service in such departments as Finance, Trade and Commerce, and External Affairs, in the Bank of Canada, and in various other newer boards and commissions. In these instances the recruiting efforts were largely of an unorganized and un-co-ordinated character.

To secure a better placement of technical personnel in the war industries and the military services as well as to furnish assistance in the recruitment of personnel to posts under the Commission's jurisdiction, a Wartime Bureau of Technical Personnel was set up in February, 1941.[11] This bureau, located in the Department of Labour, was under a director who was assisted by an advisory board. In the performance of its duties it compiled an inventory of technical personnel and administered various of the manpower regulations affecting them. Science students in the universities were also placed under a degree of supervision by this bureau in order to make possible completion of their course of study and hence to make trained technicians available for essential work after graduation.

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[8] "Organization and Recruitment of Civilian Personnel in R.C.A.F.," typewritten memorandum from J. S. Reynolds to Crawford Gordon as of June 22, 1942. Reynolds and Gordon were former officials of the Department of Munitions and Supply.

[9] During the period from 1939 to 1945 the Commission "made" the staggering total of 244,545 appointments (*Annual Report*, 1945, p. 6).

[10] *Ibid.*, 1944, pp. 5-6.

Since VJ-Day there have been a number of developments involving recruitment. Some additional publicity efforts were made to attract persons to the public service. Stories which had their origin in the Commission and which were designed to combat some of the leading misconceptions about the life of civil servants began to appear in the daily papers. Contacts with the universities have been extended, and plans have been made to inform high-school students about the public service through contacts with provincial departments of education. Steps have been taken to secure the co-operation of professional associations in an effort to attract scientific personnel.

Under the new Director of Personnel Selection, who was highly qualified to supervise these developments, the Examination Branch of the Civil Service Commission instituted new types of examinations. One was a modification of the simple intelligence test which has been used on a very limited scale for several years. A "personality test" was being designed to test personality traits among prospective candidates and incumbents of the customs service; an aptitude test was being considered. In all cases, the emphasis was being gradually placed more upon written rather than upon oral examinations, and efforts were under way to make the examinations objective and subject to grading by machine methods. Thus written qualifying examinations were held for clerks grades 1 and 2 in December, 1946;[12] and those for clerks grades 3 and 4 and principal clerks were held after February 15, 1947.[13] Despite some changes, the examination system as applied to the great bulk of applicants still retains its prewar emphasis upon special knowledge for the position, as in the United States. Budgetary economies in 1947-1948 have been a barrier to needed experimentation with other types of examinations and to providing training in new examining techniques for members of the Examination Branch.

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[11] By P.C. 780 of Feb. 12, 1941. See *Report of the Department of Labour*, 1941, p. 11 and 1945, p. 8; W. H. Pitcher, "Wartime Control of Scientists," *Canadian Chemistry and Process Industries*, Oct., 1944 (reprint); H. W. Lea, "Canada's Wartime Procedures for Technical Persons" (paper read by the former director of the Wartime Bureau of Technical Personnel to the American Institute of Chemists on May 11, 1945). For a comparison of the activities of this bureau with those of the National Roster of Scientific and Specialized Personnel in the United States, see Leonard Carmichael, "The Nation's Professional Manpower Resources," in Leonard D. White (ed.), *Civil Service in Wartime* (Chicago, 1945), chap. 5.

The new "Junior Administrative Class," as announced in 1946-1947, represents a restricted effort to place a heavier weight in recruitment upon academic attainments and a broad cultural background. The new class will be recruited from selected university graduates, of whom some fifteen were chosen in 1947, and they will be given a regular training program in phases of administrative practice in government departments accompanied by supervised seminar instructions.[14] These in-service trainees, who will start at an initial salary of $2,100 to $2,400, will be eligible for promotion to the administrative assistant class and, ultimately, to higher ranks.

It was hoped to avoid some of the shortcomings of an earlier experiment when, after 1935, a number of university graduates were specially recruited into the clerk grade 4 class. The objectives of this early experiment, which were similar to those involved in the creation of the junior administrative class, were never realized. The chief criticisms of the clerk grade 4 program were that the college graduates were recruited at inadequate salary levels and that the recruits were placed in an established clerical rank. They were rarely permitted the opportunities of securing the broader training planned for them. The new plan has obviously borrowed heavily from British experience with its administrative class. It is designed to attract into the public service more capable university graduates, who have frequently viewed the service as a lock-step system, starting at the bottom with the office boy.

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[12] *Annual Report*, 1946, p. 6.

[13] *Civil Service News*, XXV (Jan., 1947), 8.

[14] Civil Service Commission, *Careers in Public Service, Junior Administrative Assistant* (Ottawa, undated). The reports on the progress of the first group have been very favorable, and plans were well under way by January 1, 1948, to select the second group.

An additional effort to attract university students into the public service is exemplified by the practice of choosing student recruits for summer employment at the end of specified years of university work.[15] This plan was introduced several years before the second World War. It is new only in that it is now publicized and run by the Civil Service Commission, which has placed a heavier emphasis on it. During 1946-1947 approximately three thousand applications were received from students, and one thousand were selected for work in the summer of 1947. It was hoped that a number of these students, especially those who were pursuing scientific studies, would be ultimately attracted to the government service when they graduated. In the meantime the students will have gained in experience, and their supervisors will have received opportunities to test them in practice.

The process of recruitment in wartime necessitated new attention to security considerations. The number of new employees required resort to special expedients, one of which was the use of credit organizations in the localities for routine checks of applicants. The more important posts were subjected to special investigations by the R.C.M.P., and in 1941 the Civil Service Commission began acknowledging its indebtedness to that organization.[16] These activities of the R.C.M.P. were restricted by the inability of that agency to secure any large number of new recruits during the war years, partly because of an unwillingness to compete with the armed forces.

Following the spy disclosures in 1946-1947, when a few public employees were convicted of serving as agents of the

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[15] Civil Service Commission, *Careers in Public Service*, *Engineering* (Ottawa, undated), p. 3, and *Agriculture* (Ottawa, undated), pp. 5-6.

[16] *Annual Report*, 1941, p. 10.

Soviet Government, renewed discussions of security checks were heard. These were encouraged by the public announcement in the United States in 1947 of comprehensive plans to check recruits and members of the public service for Communist, Fascist, Nazi, and other subversive beliefs. A similar investigation has been undertaken in Canada, where efforts were made to avoid high-pressure publicity methods because of fears that a "witch hunt" might result.[17] More intensive checks are being made of the records of new applicants, and the activities of any "questionable" employees are rechecked. For these purposes the facilities of the R.C.M.P. have been at the disposal of the Commission. Amendments to Section 43 of the Civil Service Act in 1947 altered the previous policy of requiring only permanent employees to take the oath of allegiance and only certain key personnel the secrecy pledge. These oaths were given to all employees who had not already taken them; every new employee must take both pledges in the future.[18] In addition, the previously mentioned special interdepartmental panel to deal with general security questions has been functioning since 1946.

CLASSIFICATION

During the early years of the Canadian union there was little attempt at the gradation or classification of positions in the public service. Toward the end of the last century, however, a timid effort was made to adopt certain features of the English gradation scheme, which correlates entry into the main services with graduation from different levels of educational institutions, and several attempts were made after 1900 in

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[17] For a summary account of these developments in the United States and Great Britain, see Sterling Spero, *Government as Employer* (New York, 1948), chap. 3; "Communists and Fascists in the Civil Service," British Information Services, Reference Division Release of Dec., 1948. In Canada the most publicized charges of subversive affiliations of public employees were made in connection with the annual election in 1948 of officers of the Civil Service Association of Ottawa (Ottawa *Evening Citizen*, Dec. 11, 1948, p. 1; *ibid.*, Dec. 16, 1948, p. 36).

[18] Civil Service Commission, *Circular Letter* 1947-23 of July 21, 1947. These oaths do not alter the legal status or liabilities of the employee, but they are considered to have a desired "psychological effect." By 1948 certain departments, notably External Affairs and Defence, were using special questionnaires to obtain desired information from persons in positions involving work of a secret character (*Letters* 1947-23 of July 21, 1947; 1947-24 of Aug. 6, 1947; and 1948-12 of 1948).

Canada to place university graduates in certain preferred grades of clerical positions. In 1919 Parliament, following the work and recommendations of American advisory agencies, adopted the gradation and classification system which was embodied in the Classification Schedule of that year. This schedule, which was given statutory basis by incorporation in the Civil Service Amendment Act[19] of that year, was the subject of sharp controversy in the House of Commons which enacted it, and has remained such to the present day.[20] Under this Classification Schedule, the positions were assembled into groups, or "classes," which contained all positions for which similar qualifications were required, similar duties were designated, and similar rates of pay were provided. Persons entering the public service were normally to start at the lowest rank in a hierarchy of positions, which were arranged, and were to ascend through promotional procedure to the higher ranks. It consequently provided a system which recognized the principle of equal opportunity of persons entering the service and the principle of promotion within the service. As such it received, and has continued to receive, the support of the civil service associations.

In actual practice the employees within the lower ranks could not be expected to meet the educational qualifications which were provided for the higher positions in the hierarchy. As a result the Civil Service Commission, which was accorded a considerable degree of discretion in its application, was compelled to make an increasing number of deviations from the "spirit" of the schedule in applying it in practice. The result has been to provide a classification system which represents to a considerable degree the sum total of the practices and decisions of the Commission in the multitude of classification cases which have come before it. These practices have been based largely on American classification procedures, especially as exemplified in the publications of the Civil Service Assembly of the United States and Canada.[21] The justification for the present Canadian classification system continues to be vigorously discussed in terms of the relative merits of the evolving British and American practices, and in turn in terms of the different principles of organization of the public service in the two countries.

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[19] *Statutes of Canada*, 1919 (Second Session), c. 10, sec. 10.

[20] Professor R. MacGregor Dawson found the original classification system to be inconsistent, unsound in theory, and unworkable in practice (*The Civil Service of Canada*, pp. 158 ff.; "The Canadian Civil Service," pp. 294 ff.; *The Government of Canada*, pp. 302 ff.).

During the period after 1939 the reclassification of temporary positions was continued, a fact that will help explain the bewildering array by 1947 of approximately 3,000 class titles (as compared to 1,920 in 1939) and of 600 complicated and overlapping salary ranges. The result was an increasing number of anomalous situations which could not be justified in the eyes of the Civil Service Commission.[22]

The chief wartime changes involved the reclassification of the permanent employees.[23] Treasury Board regulations that the proportion of permanent appointees could not exceed 80 to 90 per cent of those employed in the unit were changed in 1939 by an order[24] which required only one year of temporary employment before an appointment could be made permanent. In 1940 the quota restrictions were again restored,[25] and the reclassification of permanent positions was suspended, with a few exceptions, for the remainder of the war period. The continued pressure from the employees and the Commission led to some relaxation in the prohibition on reclassifications of permanent positions in 1945 under a directive which permitted salary adjustment and reclassification in cases of "gross injustice and gross inequality."[26]

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[21] See particularly *Position-Classification in the Public Service* (Chicago, 1946).

[22] *Annual Report*, 1941, pp. 1-10; 1943, pp. 10-11.

[23] The time-consuming procedure in the reclassification of a permanent position varies somewhat from that followed in the case of a temporary position. In the first case, often loosely referred to as "the reclassification of a permanent employee," the request (in the case of the Department of Labour) goes from the department over the minister's signature to the Treasury Board, which, in turn, submits it to the Civil Service Commission for investigation. A report and recommendation to council is signed by the Civil Service Commissioners, is received and signed by the Minister of Labour, and is forwarded to the Treasury Board. An order in council is necessary to change the title of the position to the new one recommended. After a revision of the official position list has been received, a requisition is then made by the Chief of Personnel of the Department to the Civil Service Commission requesting that the permanent employee be promoted to the position which has been reclassified (Department of Labour, "Personnel Office Manual," "Appointment and Establishment Section," pp. 18, 25 ff.).

[24] P.C. 2259 of Aug. 11, 1939. The original quota was introduced during the depression.

[25] According to a schedule attached to P.C. 32/1905 of May 10, 1940; *Annual Report*, 1940, p. 6.

By the spring of 1947 some 26,000 to 28,000 reclassifications of positions had been made,[27] and during the six months prior to June 30, 1947, approval had been given to over 8,500 individual reclassifications. The Treasury Board also announced a policy in the spring of 1947 of a return to unit reclassifications without the necessity of showing that "gross injustice or gross inequality" existed. The result was in effect a return to the situation existing in 1939, when unit surveys had been stopped.

While changes were being made in the classes of employees, it was hoped that the excessive number of existing class titles might be reduced in number and that there might be a corresponding simplification of the salary ranges. In fact, a schedule based on fifty-seven salary ranges, worked out before the war, was followed after 1945 by the Commission where revisions and reclassifications made this possible. These fifty-seven ranges will be reduced gradually to forty-six, into which the existing ones will be absorbed.

The Civil Service Commission has also been experimenting with the use of the point system of position classification for a number of the junior classes,[28] which it is hoped will provide greater uniformity than at present and will also expedite and objectify the procedure. Efforts were being made in 1947 to explain this procedure to the departmental personnel officers and to enlist their co-operation in introducing this "numerical rating" plan.

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[26] For the action taken under this directive as affecting technical, scientific, and professional employees, see *Statistical Report on Salary Questionnaire*, Jan. 31, 1947, compiled by the Professional Institute of the Civil Service of Canada.

[27] Ottawa *Evening Citizen*, March 22, 1947, p. 11.

[28] See the initial "Report of the Committee on the Review, Audit and Preparation of Standards for Engineers, Architects and Draftsmen" (typewritten, April, 1946), which outlines the proposed rating factors and the numerical weight attached thereto. Under this plan, 15 rating factors were selected, six under "duties" and nine under "responsibilities."

COMPENSATION AND SUPERANNUATION

From the original classification of public employees in 1919 to the outbreak of the depression, there were some increases in compensation resulting from reclassifications of positions. During this period, however, there was only one flat increase in the salaries of public employees in Canada. This amounted to $120 and was granted in 1927. The depression which broke not long afterwards provided an effective stop to other moves to raise salary levels. The history of public-employee compensation may consequently begin with the depression, for many of the complaints of public employees today are based upon the alleged effects of that period on subsequent public policy.

From April, 1932, to March, 1935, the Government as a part of its economy program provided for a 10 per cent reduction in all salaries of public employees, abolished vacant positions, stopped all reclassifications and permanent appointments, and eliminated the statutory increases.[29] In 1935 the statutory increases and one half of the salary reductions were restored; in April, 1937, the other half of the 10 per cent cut was restored. Although there were some moves to improve public-employee salaries between 1937 and 1939, the situation at the outbreak of war in 1939 was generally comparable to that existing seven years earlier in the midst of the depression. And, just as the depression had operated to prevent long-range salary adjustments such as those proposed by the Beatty Commission in 1930,[30] so the war served to prevent adjustments which had been in the offing after 1937.

A review of the major developments will indicate the policies which were followed. In May, 1940, the Government, in its efforts to check inflationary pressures, ordered that "no increase in compensation be authorized for any officer, clerk or employee employed on the normal staff" except under special conditions.[31] At the same time the order outlined the procedure under which increases might be granted to temporary employees. Also the percentage of permanent employees relative to the total number of employees for each department and agency was rigidly fixed by the reimposition of departmental "quotas." The net effect of this order was practically to "freeze" the number and salaries of permanent employees in each department and agency.

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[29] Dominion Bureau of Statistics, *Summary Statistics of the Civil Service of Canada*, 1946, pp. 13 ff., contains a good summary of the major developments between 1932 and 1946. For the effects of these cuts on monetary and real wages, see J. C. Cameron (ed.), *The Economic Welfare of Canadian Employees* (Kingston, 1940), pp. 30, 35.

[30] This Commission's recommendations were confined to the professional services. It was authorized by P.C. 1053 of May 16, 1930, to make a general survey of civil service pay rates, but this investigation never resulted.

As a result of mounting employee criticism of salary conditions, provision was made in August, 1941, for granting a bonus to employees receiving less than $2,100 annually. The amount of the bonus, which was to be adjusted to rises in the cost-of-living index, was originally fixed at 11 per cent of the salary. The ceiling was not to exceed $2,100. In August, 1942, the bonus was increased to 17 per cent. In April, 1943, employees receiving salaries between $2,100 and $3,000 were granted a bonus of 6 per cent on the ground that persons in these salary brackets could not be expected to absorb the increases in the cost-of-living index above 11 per cent. In addition, several adjustments in basic rates of pay were granted during the six war years, notably to certain classes of employees in the postal and customs services.[32] Annual increases were granted for some temporary employees beginning in November, 1943. Promotions were continued during the war for permanent employees to positions vacated through death, retirement, resignation, or other causes.[33]

To compensate employees who had been charged with increased responsibilities, "war-duties supplements" were introduced in cases where there were "added duties and increased responsibilities." These supplements eventually ranged from $60 to over $1,000 and were originally limited to service units which the Treasury Board designated as being engaged exclusively in war work.[34] Later these were made available to some employees in the departments of Finance, External Affairs, and Trade and Commerce, and then generally throughout the service. In the year ending November 16, 1945, 6,000 public employees received the supplements, 300 of which were over $1,000 and 700 of which ranged from $500 to $1,000. The bulk were under $200. Thus the rigidity of the rule adopted early in the war prohibiting the reclassification of any but temporary positions was somewhat softened.

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[31] P.C. 32/1905 of May 10, 1940.

[32] *Annual Report*, 1944, pp. 10-11.

[33] In 1944 there were 1,275, and in 1945 there were 1,924 certificates of promotion (*ibid.*, 1944, p. 7; 1945, p. 7).

[34] *Ibid.*, 1942, p. 10; "War Duties Supplements," *Civil Service Review*, XVIII (Dec., 1945), 344 ff. Technically there were both war-duties supplements and annual-increase supplements. See P.C. 634 of Feb. 21, 1946.

Despite these special arrangements, however, the most frequently voiced criticisms were directed by employees against the orders of the early thirties which fixed the rigid quota system and which prohibited the reclassification of permanents. In certain of these criticisms, the Civil Service Commission joined.[35] As a result, the whole system of reclassifications, annual increases, bonuses, and war-duties supplements remained under constant fire.

In addition to their concern over basic wage rates, the public employees were keenly interested in their superannuation rights and in reserves provided for them. Temporary employees had 5 per cent deducted from their salaries, or 4 per cent if they were covered by the Unemployment Insurance Act, in order to build up a reserve for them when the demobilization period began. These deductions plus interest were to be paid the employees when they left the service. This action was taken to avoid the conditions which existed at the end of the first World War, when many temporaries were released in a destitute condition.

The present basic superannuation system was inaugurated by a statute enacted in 1924.[36] This act, as amended in 1927, 1940, 1944,[37] and 1947,[38] provides for a contributory system wherein the female employees normally contribute 5 per cent and the male employees from 5 to 6 per cent of their respective salaries. The return to the contributor and dependents is conditioned by a number of factors, such as the number of contributions and the amount of the salary from which deductions were made. A maximum return of 70 per cent of the contributor's "average salary" over the past ten years of service is possible. Retirement had usually been optional at sixty-five years of age and compulsory at the age of seventy prior to 1947, when the ages were lowered to sixty and sixty-five respectively.

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[35] *Annual Report*, 1943, pp. 12-13.

[36] *R.S.C.*, 1927, c. 24. There were Retirement Fund arrangements prior to 1924. Some employees are still covered by the provisions of the original act of 1924.

[37] An excellent and detailed discussion of these changes may be found in "Superannuation Analyzed," *Civil Service Review*, XVII (Sept., 1944), 256 ff.

[38] Note the explanatory comments of Finance Minister Abbott before the House of Commons in Committee (*Debates*, July, 1947, pp. 5173 ff.).

The various changes which have been made in the system during the war and subsequent years have been designed to broaden the coverage and to increase the returns, without jeopardizing any previously acquired rights. This was true of the amendments of 1940, which altered the rate of contributions for certain new contributors to the fund, and those of 1944, which permitted both "old permanents," not already covered, and permanently employed prevailing-rates employees to be included. These amendments also guaranteed a "minimum return" whereby persons contributing to the fund would receive on leaving the service at least the amount which they had contributed. In 1947 concessions were made to employees who left the service voluntarily before completing ten years' service, and consent was given to allow types of pensionable employment outside the service to count, after entering the public service, on payment of double contributions. In 1944 special steps were also taken to guarantee the superannuation rights of public employees on leave in the military services, and in 1947 continued coverage was provided for veterans who had resigned from the civil service to enlist. With various types of contributors, contributions, and benefits, the results were a highly complex superannuation system which covered approximately 45,000 participants in March, 1947.[39]

The superannuation situation in the outside agencies has varied. Serious consideration was being given in 1947 to bringing the R.C.M.P. under the regular civil service superannuation system, but some R.C.M.P. members preferred to retain the separate arrangements in existence.[40] A similar move has been made in the case of other exempt agencies whose employees were not covered. The National Film Board's employees, classed as temporary with the exception of some transferred "civil servants," are not covered. Despite such exceptions, the trend has been towards an extension of the coverage and towards a liberalization of the provisions of the various superannuation systems in operation in Canada.

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[39] Information from E. S. Crowder, Auditor-General's Office, as of March 14, 1947.

No set policy was adopted for overtime payments, but most departments permitted accumulated overtime to be taken in the form of additional leave credits.[41] As a rule, no extra compensation was paid. In the early part of 1945 approximately 55,000 temporary employees receiving $2,400 a year or less were contributing under the Unemployment Insurance Act and were entitled to its benefits.[42] In addition, there were the guarantees under the Government Employees Compensation Act[43] as well as various types of special allowances and insurance benefits.[44]

The changes between 1945 and 1947 affecting salaries have been considerable. In answer to repeated criticisms from employee ranks, the Minister of Finance in 1945 made some concessions which included the restoration of statutory increases for officials in the intermediate and senior ranks, and indicated a willingness to admit other changes in the future.[45] As the cost-of-living index had risen since the last adjustment in 1942 by the 5 per cent required by the original order in council providing for the first bonus payments in 1941,[46] bonuses were increased by the Treasury Board to be effective August 6, 1946.[47] On September 1, 1946, over two years after comparable action had been taken in the case of the bonuses of industrial wage earners and approximately a year after such action had been taken in the public service in Great Britain,[48] the cost-of-living bonus of civil servants was consolidated into their basic salaries.

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[40] See "Application for Engagement in the Royal Canadian Mounted Police," A-114. In 1947 there was a contributory system for officers, a noncontributory or "free pension scheme" for the men, and a dependent's pension plan to which the Government made no contributions. For a discussion of proposed changes in these plans, see Commons, *Debates*, July 1, 1947, pp. 5015 ff.

[41] C. W. Rump, "Compensation for Overtime in the Civil Service," *Civil Service Review*, XIX (March, 1946), 28 ff. Note criticisms by the Auditor-General of the overtime system (Ottawa *Evening Citizen*, Dec. 15, 1947, p. 29).

[42] Information as of Aug. 24, 1945, from L. J. Trottier, Chief Commissioner of the Unemployment Insurance Commission. The ceiling was raised from $2,400 to $3,120 in 1947 to be effective Jan. 1, 1948 (Montreal *Gazette*, Dec. 10, 1947, p. 18).

[43] The compensation provided for "government employees" is that fixed by the provincial laws governing employee compensation generally, with special arrangements where no provincial law has been passed, as in Prince Edward Island. The procedures for fixing this compensation vary widely, and there are some differences in the benefits paid. In Saskatchewan, 75 per cent of the employees' earnings was paid during the allowable disability period in 1947, whereas 66⅔ per cent was paid in Ontario, Quebec, and Nova Scotia. The Ontario laws cover the employees in Ottawa. The employing agency often sees that the employee receives the difference between his regular salary and the amount paid by way of compensation. See Commons, *Debates*, March 31, 1947, p. 1938.

[44] On the coverage of the Civil Service Insurance Act as of March 31, 1946, see Commons, *Debates*, April 28, 1947, p. 2527.

Appropriate and at times highly complex salary grades were established. This meant that the Government was no longer legally obligated to adjust the salary scales to fixed increases or decreases in the cost-of-living index.[49] Proficiency allowances were provided for stenographers and typists in September, 1946.[50] Many new appointments were made above the minimum of the range. Adjustments were made in the salary grades between $2,100 and $3,000, beginning in January, 1947.[51] Statutory salary increases for all temporaries who were not at the maximum of the pay levels of their grades and classes were authorized by order in council to be effective as of April 1, 1947.[52]

At the turn of 1947 steps were taken to carry out the recommendations of the Gordon Commission for an increase in the salaries of certain deputy ministers and other senior officials. The salaries of the Deputy Minister of Finance and of the President of the National Research Council were raised to $17,500, those of some deputy ministers were increased from $10,000 to $15,000 annually, and corresponding changes were made in the other recommended cases.

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[45] *Civil Service Review*, XVIII (March, 1945), 99; *Civil Servants Digest-Organizer*, XXV (Nov., 1945), 8-9.

[46] P.C. 6702 of Aug. 26, 1941.

[47] *Civil Service Review*, XIX (Dec., 1946), 194.

[48] Treasury Circular No. 1/46.

[49] P.C. 1/3687 of Aug. 30, 1946.

[50] P.C. 21/3727 of Sept. 5, 1946; *Civil Service News*, XXIV (Oct., 1946), 222-225.

[51] See the Ottawa *Evening Citizen*, Feb. 1, 1947, p. 10.

[52] These annual increases, granted in Aug., 1947, differed from the wartime increases in that (1) they were not based on the War Measures Act or on the Emergency Transitional Powers Act, which had expired on March 31, 1947, and (2) they covered all eligible temporaries and not merely those receiving $2,100 or less. Approximately 60,000 out of 80,000 temporaries were eligible for these statutory increases (Ottawa *Evening Journal*, Aug. 23, 1947, p. 1; Ottawa *Evening Citizen*, Aug. 25, 1947, pp. 1, 12).

A comparison of salaries in 1939, 1943, and 1947 (prior to December) for certain grades of employees can be made from the following table:

NET MONTHLY SALARY OF PERMANENT MARRIED EMPLOYEE WITH TWO DEPENDENT CHILDREN, 1939-1947

	Gross Salary Including Cost of Living	*Income Tax Deducted at Source*	*Superannuation Fund*	*Net Salary*
August, 1939				
Clerk, Grade 2	$115.00	....	$ 6.33	$108.67
Clerk, Grade 3	135.00	....	8.10	126.90
Clerk, Grade 4	160.00	....	9.60	150.40
Principal Clerk	200.00	....	12.00	188.00
Head Clerk	250.00	....	15.00	235.00
Chief Clerk	310.00	....	18.60	291.40
June, 1943				
Clerk, Grade 2	$133.42	$ 1.95	$ 6.33	$125.14
Clerk, Grade 3	153.42	3.95	8.10	141.37
Clerk, Grade 4	178.42	8.65	9.60	160.17
Principal Clerk	206.51	13.90	12.00	180.61
Head Clerk	250.00	23.00	15.00	212.00
Chief Clerk	310.00	38.10	18.60	253.30
April, 1947				
Clerk, Grade 2	$142.00	....	$ 8.52	$133.48
Clerk, Grade 3	162.00	$ 1.75	9.72	150.53
Clerk, Grade 4	187.00	7.30	11.22	168.48
Principal Clerk	215.00	13.25	12.90	188.85
Head Clerk	260.00	23.20	15.60	221.20
Chief Clerk	310.00	36.50	18.60	254.90

EXPLANATIONS:

The figures are the *maximum* rates for each class.

Permanent employees do not make Unemployment Insurance contributions, as do temporary employees. Income tax was not deducted at the source in 1939. If family allowances were included, there would be certain additions, ranging up to approximately $12.00 added income per month in 1947. No allowance was made for war-duties supplements.

In calculating the real salary in 1947 as compared to 1939, at least a 30 per cent increase in cost of living may be assumed.

For tables showing the "real earnings" of all "temporary" and "permanent" civil servants (as listed by the Dominion Bureau of Statistics) 1913-1936, see Cameron (ed.), *The Economic Welfare of Canadian Employees*, p. 35.

A survey in March, 1938, made by the Professional Institute of the Civil Service of Canada of its membership and based on returns from 859, or 67 per cent, of its 1,297 members (out of approximately 2,300 "civil servants with professional status in the service") showed an average salary of $2,952 and average maxima for the then existing salary ranges of $3,090.[53] A similar survey made by the same organization in January, 1947, based on returns from 941, or 50.1 per cent of its membership (out of an estimated total of 4,000 persons with professional status), showed that the average minimum salary moved from $2,601 to $3,167 and the average maximum moved from $3,058 to $3,599.[54] In addition there were various cost-of-living bonuses and war-duties supplements not included in these averages. The average total earnings in 1947 are not available, but it is possible that the monetary compensation for the scientific and professional personnel increased 15-20 per cent between 1939 and 1946.[55]

From these figures certain conclusions may be drawn. It would appear that there was a general over-all increase in public service earnings between 1939 and April, 1947, of possibly 30 per cent in the lower, 20-25 per cent in the intermediate, 15-20 per cent in the scientific and professional, and smaller percentages in other classes. It is also evident that these increases have in most instances not equaled the percentage rise in the cost-of-living index.

The general salary and wage policy of the Government during the period 1939-1946, though not as generous in certain respects, was basically similar to that followed by private industry during those years. Since the relaxation of controls over industrial wages and salaries, there have been wide differences in governmental and private industrial practices. In so far as there has been a conscious governmental policy as distinguished from a series of piecemeal adjustments in 1946-1947, considerations of need, changes in the cost-of-living index, and practices in industry, as seen through the political eyes of the members of the Cabinet, have been influential in the decisions taken. Though consideration has been given to this matter, no plan for adjusting the basic salary rates to changes in the cost-of-living index had been adopted by early fall of 1947.

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[53] *Statistical Report Covering the Classification and Compensation of Civil Servants with Professional Status*, March 31, 1938, pp. 16-17.

[54] *Statistical Report*, 1947, p. 2; *Institute Journal*, XXVI (March, 1947), 57 ff. Cf. the estimated average salaries for "professional personnel" engaged in "research and scientific activity by Dominion Government" 1945-1946 by Department of Reconstruction and Supply, *Research and Scientific Activity, Canadian Federal Expenditures 1938-1946* (Ottawa, 1947), especially p. 27. The average salary was estimated at $2,708 for the 1,067 employed in 1945 and $2,960 for the 1,316 employed in 1946 (*ibid.*, p. 35).

[55] The Civil Service Commission statistics indicated an increase of 20 per cent between 1939 and Sept., 1946. The civil service associations estimated the increase at approximately 15 per cent.

While general averages are of questionable comparative value, they do show certain salary trends after 1939. In the fiscal year 1939-1940, the average earnings of all permanent and temporary civil servants were $1,500 annually, the average earnings of temporaries $913, and of the permanents $1,830. As a result of the increase in the proportionate number of temporaries in the public service, especially among the lower-grade employees, the average earnings for all civil servants fell to $1,484 in 1942-1943, with the average earnings of temporaries being $1,262, and of the permanents, $1,976. In 1945-1946 the general average was $1,611, with the average earnings of temporaries being $1,418, and of the permanents, $2,161. In 1946-1947 the average for all civil servants had increased to $1,741, an increase of approximately 17 per cent over the average for 1939-1940.[56]

Rates of pay in industry have increased more rapidly than in the public service since the relaxation of wage and salary controls in 1946.[57] It would also appear that the salary increases in Canada up to April, 1947, had been considerably lower than those granted in the United States and somewhat lower than those granted to certain categories of personnel in Great Britain between 1939 and 1947.[58] However, the much greater rise in the cost-of-living index in the United States reduced the gap in purchasing power between the beginning clerk's salary of $1,756 in the United States and $900 in Canada as of April, 1947.[59]

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[56] Compilation of the Public Finance Branch, Dominion Bureau of Statistics, as of April 23, 1947.

[57] There have been no really sound analyses of the average annual money earnings and of the average real earnings for *comparable groups* of employees in the public service and in industry during the period 1939-1947. A usual method of comparison is to take averages for *all* permanent and temporary public employees and compare them with the averages for the salaried employees in manufacturing industry. For a study covering the period 1915-1936, see Cameron (ed.), *The Economic Welfare of Canadian Employees*, pp. 30, 35. On "manufacturing" for the later period, note "Post-War Trend of Real and Money Earnings in Manufacturing in Canada," *Labour Gazette*, XLVII (July, 1947), 949-953. See also Joseph Mintzes, "Canada: Wage Trends and Wage Policies,

The adjustments in the lower-income brackets down to 1947 prevented the real earnings of the lower-grade employees in Canada from suffering greatly after 1941, but the initial inadequacies in their salaries, bonuses, and allowances produced continual and often acute problems which contributed to the heavy turnover and shortage of personnel. The greatest proportional drop during 1939-1946 occurred in the case of the permanents, who were receiving a salary of over $3,000 a year and who were not the recipients of war-duties supplements.[60] This situation was the background for the request made by Finance Minister Abbott of the Civil Service Commission in August, 1947, for a general survey of salaries and an examination of the question of general increases.[61]

The sequel was the announcement by Prime Minister King on December 19, 1947, of increases retroactive to October 1 approximating $30 per month for grade 1 clerks and of about $40 per month for the higher grades up to and including that

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1939-47," *Monthly Labor Review*, LXV (Oct., 1947), 426 ff. According to this source, real average yearly earnings stood at 103.1 (1935-1939 = 100) in 1939 and 132.4 in 1946. For comparisons made in 1947 by the Civil Service Federation of Canada, note *Memorial for Submission to the Cabinet* (mimeographed, Aug., 1947), p. 2.

[58] *Ibid.*, p. 3. The salaries in the highest pay grades in the United States are not included. See Commission on Organization of the Executive Branch of the Government, *Personnel Management*, p. 20.

[59] The cost-of-living index rose around 32 per cent in Great Britain between Aug., 1939, and Dec., 1946. See, however, *Economist*, CLII (June 21, 1947), 971. In the United States the rise in the index from Aug., 1939, to June, 1946, was approximately 35 per cent, but there was a very rapid jump after that date.

[60] Employees receiving $3,000 and over in private industry, in contrast to those in the public service, were eligible during the war to receive cost-of-living bonuses.

[61] Ottawa *Evening Journal*, Aug. 26, 1947, p. 1. This request followed the submission of a brief by the Civil Service Federation asking for a minimum increase of 25 per cent in salary scales and for other changes.

of chief clerk. Increases for other grades were under consideration. In establishing the new rates for clerical employees, "the Government has endeavoured to place them on a comparable basis with the rates being paid by private employers for similar services, with proper allowance for differing practices in regard to security of tenure, vacations, sick leave, retirement benefits and other terms of employment." In Dec., 1948, increases in pay ranging from $10 to $20 per month were granted to 55,000-60,000 employees, chiefly those earning under $4,000 annually. At the same time, the Government refused to grant the cost-of-living bonus requested by certain of the civil servant associations. The race with the cost-of-living index thus continues through 1948.[62]

OTHER DEVELOPMENTS

The question of promotions was not particularly important in Canada between 1940 and 1946 because they were confined to vacancies in existing permanent positions. Although promotions were not permitted in the case of temporary positions, the effect of permitting resignations of former positions and appointment to new ones during wartime had the same effect. In addition, the reclassification of temporary positions was permitted. In some cases these procedures resulted in fast moves up the financial ladder for temporaries.

The Civil Service Commission is authorized within certain limits to fix any procedure for promotion.[63] The procedure used calls for a weight of 20 per cent on seniority, of 30 per cent on "efficiency" in the present position, and of 50 per cent on "fitness" for the new position. In practice, efficiency and fitness are determined by the departmental officials subject to final review by the Commission. The result is that promotions are actually largely left within the hands of the departments and agencies themselves.[64] This fact has accentuated the trend towards selection from the ranks within the department. As before the war, so after 1939 it was the exception rather than the rule to advertise positions open to competition outside of the department. The chief changes have been in the institution of the system of appeal boards, which has resulted in a slight increase in the role of the Commission. The promotional procedure has been subjected to continuing criticism. The Gordon Commission in 1946 was merely echoing the characterizations by the Beatty Commission in 1930 when it said that the existing system is "cumbrous and tardy" in its operation and "mechanical and lifeless in its results."[65]

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[62] Ottawa *Evening Citizen*, Dec. 22, 1948, p. 1. See Table above, p. 75, for rates before these increases. By Sept., 1947, the cost-of-living index stood at 142.2 (1935-1939 = 100). It continued to rise rapidly and stood at 151.6 on April 1, 1948, and at 159.6 on Nov. 1, 1948. It had dropped slightly to 158.9 by Dec. 1, 1948 (Montreal *Gazette*, Jan. 6, 1949, p. 1).

[63] Civil Service Act, secs. 4(a), 49(3). A promotion has been legally defined as a "change from one class to another class with a higher maximum compensation."

There were also few changes in the system of transfer of employees from department to department during the war period. Temporary employees are not subject to transfer. The arrangements for permanents require requests from the deputy ministers of the respective departments together with the concurrence of the Commission.[66] The departmental heads showed their usual willingness to agree to the transfer of their incompetent personnel and their unwillingness to permit the transfer of their qualified officials. The changes after 1939 resulted largely from the transfer of whole establishments to new departments, as occurred during the development as well as during the demobilization of the departments of Munitions and Supply, National War Services, and Reconstruction and Supply. There were similar transfers of establishments to the departments of National Health and Welfare and Veterans Affairs during their formative periods. Otherwise, there has been no evidence of any greater fluidity in the interchange of personnel, particularly among those in the higher ranks, between departments and agencies.[67]

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[64] The existing promotional procedure has been described by the Gordon Commission as follows:

"Under existing procedure the occurrence of a vacancy is notified to the Commission by the Deputy Minister who advises, whether or not in his opinion, the vacancy should be filled by promotion. If it is to be filled by promotion the Commission holds a special promotional examination and specifies, after consulting the Deputy, the classes of employees that may apply. The applications are rated, according to a prescribed method, by the department. The departmental ratings for each applicant are then weighted by the Commission and the order of merit of the candidates is determined. They are then notified of their place in the competition and given an opportunity to appeal against the decision. If they do not do so the Commission approves the appointment of the candidate declared first in the order of merit. In a normal case this takes several months, frequently longer. . . . The main purpose of this procedure, and of the control exercised by the Commission, is to exclude undue personal influence" (*Report*, p. 19; cf. Civil Service Act, sec. 49, and *Civil Service Regulations* [1940], secs. 56-64).

[65] Beatty Commission, *Report*, pp. 17 ff.; Gordon Commission, *Report*, p. 19.

[66] Note Civil Service Act, sec. 50, and *Civil Service Regulations*, secs. 47-55. Transfers from one position to another of a similar class can be made within a department or agency without reference to the Commission (Department of Labour, "Personnel Office Manual," "Appointment and Establishment Section," pp. 19-20).

Efficiency records were in 1947 still the subject of experimentation. Each department was allowed a wide latitude in this matter, though a majority used through 1947 the simple and inadequate type which has been tentatively suggested by the Commission.[68] In view of the other burdens placed on them during the war, there was little incentive on the part of personnel officers to work on efficiency records. The most comprehensive efforts of a large department were those of the Department of Veterans Affairs, where in 1947 newly developed efficiency rating sheets were being placed in the hands of officers who had been briefed in their use. Such departments as the Post Office Department and such agencies as the Unemployment Insurance Commission had developed fairly adequate systems of their own. But by and large the data which efficiency records might convey were still limited and incomplete, and the practices in their preparation and use varied widely. In addition, they were generally prepared by individuals who had no special training or experience.

In 1946 the Gordon Commission observed that "only the most elementary beginning has been made in the development of programs for the training of civil servants on entering the service and to improve their efficiency after first employment in order to prepare them for more responsible work."[69] Aside from special cases such as the "Police Colleges" of the

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[67] Cf. Gordon Commission, *Report*, p. 20.

[68] A new and improved type of efficiency record, which was to be uniform throughout the service, was adopted for use in 1948. See Civil Service Commission, *Instructions on the Use of the Civil Service Efficiency Rating Form* (undated).

[69] Gordon Commission, *Report*, p. 22.

R.C.M.P. or the instruction given for assistant trade commissioners by the Department of Trade and Commerce[70] and for foreign service officers by the Department of External Affairs, these beginnings were largely the product of wartime necessity. During that period special instructional courses for stenographers and typists, instruction in supervisional methods, and induction training programs were worked out for a number of departments under the initial supervision of the Department of Labour.[71] Several specialists in this type of instruction have been added to the staff of the Civil Service Commission since 1945, and steps were being taken in 1947 to co-ordinate the scattered and limited efforts within the hands of the Commission. None of these courses are designed to do more than better equip the individual to accomplish the immediate task in which he happens to be engaged. Only in rare instances has special training for administrators been attempted.

No broad effort at instruction has been made since the collapse in the early stages of the second World War of the Canadian Seminar of Public Administration, which, despite encouragement from interested persons both within and without the government service,[72] never succeeded in arousing great interest. A series of evening courses in public administration and in the social sciences have attracted some Ottawa civil servants at Carleton College since 1944. It is not even known whether the educational standards of members of various classes in the public service are higher today than in 1939, although it is quite probable that the recruiting necessities in the years after 1940 have resulted in a lowering of these standards (if temporaries are included) as compared to the years immediately preceding 1939.[73] The problem of in-service training is consequently intimately related to broader considerations. "We can hope that the service can lift itself up by the bootstraps," said Dr. Coats recently, "but it will never be a substitute for the broader liberal education."[74]

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[70] The assistant trade commissioners, after selection, are given a one-year training program, which, in addition to work in the Department of Trade and Commerce, includes five weeks in the Department of External Affairs, four weeks in the Dominion Bureau of Statistics, two weeks in the Department of Mines and Resources, one week in the Department of Agriculture, and two and one-half months spent in visiting industrial firms in Canada (*Course for Assistant Trade Commissioners*, May 1, 1944—April 1, 1947 [mimeographed]).

[71] *Annual Report*, 1945, pp. 8, 12.

[72] Notably Dr. O. D. Skelton, Under-Secretary for External Affairs, and Professor Alexander Brady, of the University of Toronto.

[73] Educational information was secured in the census of public employees of

The practices of the various departments and agencies regarding disciplinary penalties have continued to vary widely. The different practices in imposing these penalties for such minor offenses as lateness to work are departmental matters, whereas the more serious penalty of suspension without pay can be inflicted only by the minister, subject to the approval of the Civil Service Commission. For the dismissal of a permanent civil servant, as distinguished from a temporary one, an order in council is necessary. However, the more serious penalties were only rarely inflicted before the war, and some observers believe that the rapid expansion of personnel after 1939 coupled with the preoccupation of disciplinary officials with other matters led to even less frequent resort to the extreme penalties. With the encouragement to reduce staff, the release during 1946-1947 of a number of continual offenders has had a desired effect in some departments.

Nevertheless, the subject remains one of continuing concern, and two competing trends are in evidence. On the one hand there have been the recommendations of the Gordon Commission which would remove legal jurisdiction in disciplinary matters from both the Governor in Council and the Civil Service Commission and would correspondingly strengthen the hands of the departmental heads.[75] On the other hand there have been the steps to provide additional safeguards against "arbitrary" disciplinary punishments by departmental officials.

As to other employment conditions, the general regulations regarding leave were not altered after 1939 in any basic re-

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1943, but it was never tabulated because of the inadequacy of the replies and the difficulties of comparing educational attainments in the various provinces. Only scattered information is available in departmental files.

[74] Coats, "The Social Sciences and Public Administration," pp. 508-509.

[75] *Report*, p. 21. In practice the Commission has not interfered in disciplinary matters. It requires reports of disciplinary actions taken for the sole purpose of having the record available in the rare cases where appeal boards are requested by the employee.

spects,[76] but the arrangements regarding their enjoyment were made somewhat less flexible. The only changes of any moment since 1945 have been the institution of the "furlough leave" in 1946 for public employees who had served for twenty years or more. Certain concessions were also made to returned soldiers in applying the regulations regarding eligibility for annual leave. Working hours were increased in 1942 from a minimum of 36½ hours per week to 41½ hours.[77] In 1945 the hours were again reduced to a minimum of 36½ hours weekly, with 6½ hours as the normal work day except on Saturdays. Some agitation was developing in 1946-1947 for the five-day week, but by the end of 1947 no action had been taken. (The five-day week was instituted for two months in the summer of 1948.) By and large the general situation existing in 1939 regarding leave, overtime, hours of work, and other employment conditions had been restored with only minor changes by 1947.

POSTWAR DEMOBILIZATION

The future of federal public employment depends upon the entire reconstruction program and the future economic course of Canada. The general program of the 1947 Liberal Government, designed to secure a "high and stable level of income and employment," has called for a long-range program of maximum encouragement to private industry and the gradual relaxation of many governmental controls over it. This relaxation, however, was to be tempered by a realization of the need for new governmental activities, a concern for the financial burdens bequeathed by the war, and the need of handling the problems of civil re-establishment and demobilization.

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[76] For those eligible, the various types of leave include the regular "annual leave" of eighteen days, regular "sick leave" of eighteen days, as well as "special leave," "injury leave," "compensatory leave," "retiring leave," and "furlough leave." These leave regulations are covered in the Civil Service Act, secs. 46, 47; *Civil Service Regulations*, secs. 65-76; and in numerous special Civil Service Commission and departmental rulings. See *Annual Report*, 1945, p. 8. For departmental practices, see Dominion Bureau of Statistics, *Leave Regulations* (undated), and Department of Labour, "Personnel Office Manual," "Attendance Record Section," pp. 3-6.

[77] *Annual Report*, 1942, p. 9.

Steps were taken in 1944 to set up a Department of Reconstruction, which was charged with co-ordinating "the actions of the other departments for the purpose of insuring that the transition from a wartime to a peacetime economy shall be affected as quickly and as smoothly as possible," with formulating "plans for industrial development and conversion,"[78] and with preparing a program to facilitate the return of employees in war industry and members of the armed services to civil life. This department was amalgamated with the remnants of the Department of Munitions and Supply to become the Department of Reconstruction and Supply on January 1, 1946, and the planning activities were largely centered in the continuing work of the Economic Research Branch of these departments. The gradual readjustments and reorganization in the Department of Reconstruction and Supply in 1947, hastened, no doubt, by the failure of the Dominion-Provincial Conference to reach desired agreement in 1945-1946, indicated that the relaxation of wartime control had proceeded to a considerable degree and that the stage of reconversion was well advanced. However, some special remnants of wartime controls were retained under the Continuation of Transitional Measures Act of 1947.[79]

The result was that the shaking-down stage of public employment had been entered by April, 1947. A special subcommittee of the Cabinet, selected to decide upon the nature and extent of reductions in governmental establishments, soon came to a realization that major reductions could be made in only a few places. The chief sources for reductions were the Unemployment Insurance Commission, the defence services, the Department of Veterans Affairs, and the Wartime Prices and Trade Board. Where the language used in speaking of reduction in services was often pre-1939, it took on a different meaning in 1947, when actual decisions had to be made as to the size and nature of future personnel establishments.

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[78] See Minister of Reconstruction, *Employment and Income with Special Reference to the Initial Period of Reconstruction* (Ottawa, 1945), commonly known as the "White Paper." Cf. *Forecast of 1947 Investment by Canadian Business* (Ottawa, 1947). The "White Paper" was carefully examined by a group of senior ministers before release in 1945 and has constituted to date an accepted statement of governmental policy. In its broad outlines, and with some exceptions, the "White Paper" has been followed. Note the proposals and documentary materials presented to the Dominion-Provincial Conference in Aug., 1945, for which the "White Paper" was an introduction. For an analysis of the problem before this conference, see Wilfrid Eggleston, *The Road to Nationhood* (Toronto, 1946). For subsequent official comments on the "White Paper," see Trade and Commerce Minister Howe in Department of External Affairs Information Reprint No. 69 (1948).

[79] *Statutes of Canada,* 1947, c. 16.

There were special problems which faced the departments and agencies being demobilized during the period of reconstruction. The Department of Reconstruction and Supply and the Wartime Prices and Trade Board had difficulties in retaining the more capable members of their staffs during this period. In both cases most of the higher wartime personnel had left the public service by the end of 1946, and wartime subordinates had been elevated to their posts. The rates of turnover reached an abnormal peak of 76 per cent on an annual basis among the personnel in the Wartime Prices and Trade Board during the month of September, 1945, when there were doubts as to the continuance of the board.

In the defence services a vigorous policy of reduction in staff was followed after January 1, 1947, under the new Defence Minister, Brooke Claxton. Civilian personnel matters are now routed through a single personnel office under the ultimate direction of an associate deputy minister. Committees from the three services worked together on the reduction of the military personnel who were often performing functions that could be placed in the hands of civilians in the lower grades. The problem of amalgamation and reorganization was complicated by the different personnel practices of the three service departments during the war.[80]

In contrast to the Department of National Defence, there has been the experience of a few departments whose personnel has continued to expand. The Department of External Affairs, for example, had only 145 employees in 1928. By the middle of 1947 the department had been reorganized internally, and its number had increased to over 750.[81] The foreign service had been heavily expanded, and its ranks included the members of the new consular service which had its beginnings during the war.[82] Within the year 1946-1947, when written examinations were again instituted for entry into the service, some 65 new recruits were accepted as foreign service officers. Others were being added in 1947. Most of them were former army officers who frequently held honors degrees from Canadian universities. The effect of the veterans' preference has been to provide a broader social base than existed in the small prewar service, though most of the members could still be classed as "predominantly urban middle class."[83] The appeal of this service has been marked, especially in the Canadian universities, and higher requirements have been set for the successful applicants than in many other departments.

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[80] Persons performing similar types of work often had widely differing classifications and salary scales. The Department of National Defence: Air Services and Naval Services had dual establishments composed in part of military and in part of civilian personnel. The Army followed a different policy. All three of the services had shown considerable resentment at any "civilian interference" during the war and had been allowed a rather free hand in working out their own problems.

CONCLUSION

The Dominion public-employment policy, if such it may be termed, has been the resultant of both basic and short-range factors. The basic considerations included the wartime wages and price control policies, the rapidity and techniques of decontrol during the reconstruction period, and the future economic program of the Government. The immediate policies have resulted from the interplay of a number of forces, the political attitudes of key ministers, the role of the Opposition, pressure from the civil servant associations, and recommendations from the Civil Service Commission. The Commission's recommendations have represented a lowest common denominator of agreement among the demands of the civil servant associations, whether intentional or not, and it has served to restore a balance which the weak associations would not otherwise provide. The Government has weaved its way among these differing and often competing pressures; its policy has frequently been a compromise among them.

It is probable that prestige of public employment and that the career opportunities for persons entering the public service are better than in 1939.[84] Some branches of the service benefited from the prestige acquired under wartime conditions, and wide participation in public employment helped break down some prejudices against it.[85] There is a greater appreciation of the value of university training, and the growing extent and complexity of governmental functions have opened new fields for graduates. Certainly there is a growing awareness of the changes necessary to develop further these career possibilities in order to attract a larger percentage of the abler university graduates in the future.

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[81] The standard book on the Canadian diplomatic service is H. Gordon Skilling, *Canadian Representation Abroad* (Toronto, 1945).

[82] *Ibid.*, pp. 293 ff. See notices in *External Affairs*, I (Dec., 1948), 37.

[83] H. Gordon Skilling, "The Rise of a Canadian Diplomatic Service," *Journal of Politics*, IX (May, 1947), 220.

In order to improve these career opportunities, the Civil Service Commission has recommended that provision must be made for "sufficiently attractive entrance salaries; an effective probation period . . . ; permanency within a reasonable period if the work is continuous in nature and the employee's services are satisfactory; regular advancement to a satisfactory salary level; special additional advancement in cases of special merit."[86] To these suggestions Professor Brady would add the need for general departmental reorganization, an early removal of the unfit, and the need for more public criticism of the public service.[87]

These changes will not in themselves automatically increase the efficiency and responsibility of public servants. They are factors which have to be fitted into the background of public attitudes and opinion. Outside of Ottawa there still continues to be limited interest and discussion of the public service on the radio and in Canadian papers. This fact may help explain a widespread lack of concern with official policies and practices and the low esteem in which the public service continues to be held by declining but still large segments of the public. It also points to the necessary public relations work which is needed in Canada to provide for more adequate appreciation of the career opportunities in the public service.

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[84] For a description of the life and outlook of a married clerk (grade 3) in Ottawa, see Talbot Johnson, "Civil Servant," *Standard*, Jan. 25, 1947, pp. 25 ff.

[85] Cf. Alexander Brady, *Democracy in the Dominions*, p. 83.

[86] *Annual Report*, 1945, p. 12.

[87] *Canada after the War*, pp. 47 ff.

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Dominion Employment Problems

THE ORGANIZATION and functioning of the Canadian public services have given rise to certain problems involving special groups of employees. Because of their importance, several of these groups have been selected for particular attention.

THE FRENCH CANADIAN

The chief group problem in the public service today continues to be that of the French Canadian. In discussions of this problem, definitions are difficult to formulate, and emotional bias is often a substitute for statistical data. The latter part of the war period and the early part of the post-hostilities period saw a repetition of the traditional charges of underrepresentation of this linguistic group which constituted in 1941 over 30 per cent of Canada's population and which was heavily concentrated in the Province of Quebec. During the war when jobs could be had for the asking, these complaints continued to be voiced, but without their accustomed vigor. More recent developments have, however, indicated a renewed and rigorous concern.

The representation by the Chambre de Commerce of Montreal before the Gordon Commission in 1946 is perhaps the most extensively documented presentation of the French-Canadian point of view. In essence, it was stated that the percentage of French Canadians has steadily declined from 1918, when they held 21.58 per cent of the positions in the federal service, to 19.90 per cent in 1936-1937. Although the figures for the lower-paid classes were not available, it was maintained that "the percentage of French Canadian representation in 1944-1945 amounted to 12.25 percent" for positions paying over $2,400.[1] A comparison of the percentage of French Canadians in the salary brackets above $3,000 indicates a drop at each $1,000 salary level between the years 1918 and 1944-1945. For persons with the *rank* of deputy minister there was also a percentage reduction during those years, and at the end of this period there was no French Canadian who held the actual position of deputy minister.[2] While these statistical compilations are open to some question, it is a recognized fact that the percentage of French Canadians in the positions paying over $2,400 has declined since 1918.

Certain departments have consistently showed a higher percentage of French-Canadian employees than has the public service as a whole. These were the Post Office, Public Works, the Printing Bureau, and those headed by the Secretary of State and in the Parliament buildings. From 1925 on, the Department of Justice, the Archives, and the Civil Service Commission had a higher than average proportion. The departments showing a lower proportion of French Canadians than the public service as a whole fall into certain groups. One of these consists of those departments and agencies concerned with military matters. The smaller-than-average proportion of French Canadians in the old Militia and Defence Department in 1918 has continued in the various defence departments as they have evolved to date and has also been in evidence after 1939 in such "related" departments as Veterans Affairs and National War Services. There has also been below-the-average proportion in the Royal Canadian Mounted Police. Again, those departments which have dealt primarily with fiscal matters have usually employed less than the average percentage of French Canadians. These have included the Department of Finance, National Revenue, and that headed by the Auditor-General. Finally, the departments which have employed a large number of technicians and scientists, such as the Department of Agriculture and the National Research Council, have tended to fall below the average.

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[1] *Proceedings*, IV, 534. Note also the representation on June 3, 1947, to Prime Minister King and members of his Cabinet (Montreal *Gazette*, June 4, 1947, p. 1). The percentage of French Canadians in positions paying under $2,400 has consistently been higher than the percentage in the positions paying over that amount. The Chambre de Commerce secured its 1918 data from the Civil Service List, whereas the data for subsequent years were taken from the auditor-general's reports. These reports give more detailed information for some years than for others; hence the results are not comparable for the entire period.

[2] *Proceedings*, IV, 534-535, 550 ff. Early in 1947, 8 out of a total of 42 with this *rank* were French Canadians (Ottawa *Evening Citizen*, Feb. 24, 1947, p. 22). Cf. the remarks of Mr. Hamel in the House of Commons: "There is not one French-speaking deputy minister in 22; this has been unheard of since Confederation" (*Debates*, May 21, 1947, pp. 3359-3360).

The fires of complaint have been fanned by the National Union Government of Duplessis in Quebec. Following a debate on April 25, 1947, the Quebec Legislative Assembly, after reviewing much of the material presented before the Gordon Commission on this subject, passed a resolution by a vote of 58-0, protesting against "the injustice which victimized the French-Canadian minority of this country" in the federal public services.[3] To Premier Duplessis the situation was "inconceivable and intolerable." One member of the Legislative Assembly spoke disparagingly of French Canadians who held high office in Ottawa and concluded that "we would be better off with English Speaking Canadians than with French ones who have become renegades." The Leader of the Liberal Opposition, former Premier Adelard Godbout, voted for the resolution, though he observed that there was a smaller proportion of "English speaking Canadians in Quebec's Civil Service" than of French Canadians in Ottawa. Complaints in the Legislative Assembly were especially directed at the "inadequacy" of the "representation" in the higher administrative ranks. This latter charge in a more tempered setting is accepted by practically all French Canadians, regardless of their political affiliations or social outlook.

There is no reason for repeating in detail the widely varying reasons for the French-Canadian attitudes. To the more extreme nationalists, it is due to deliberate discrimination on the part of unfriendly officials of English origin in most branches of the federal government.[4] This discrimination is reflected in methods both of selection and of promotion which do injustice to the educational system of Quebec. The Chambre de Commerce in 1946 claimed that "prior to the passage of the Civil Service Act in 1918, the French Canadians were represented in the public service in proportion to their representation in the Cabinet and in the House of Commons." The power of appointment was transferred by the Civil Service Act from the political head to the permanent official. The deputy ministers and other high officials are now appointed from inside rather than from outside the service. They are inclined, it was further alleged, to recruit their immediate staffs from social, business, and university connections rather than from party workers, as did the politicians. Thus, political patronage has been succeeded by a type of nepotism and favoritism exercised by powerful groups within the public service, to the disadvantage of the French Canadians.

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[3] Ottawa *Evening Citizen*, April 26, 1947, p. 4.

[4] "Some members of Parliament blame the Civil Service Commission. Others blame the ministers and the Prime Minister. Others blame the Quebec members of Parliament. Others the deputy ministers and senior officers of the department" (Frank Flaherty, "Why So Few French Canadians in Civil Service," *Saturday Night*, LXII [July 19, 1947], p. 8).

The usual answers to these charges are (1) that the extent of "underrepresentation," at least on any meaningful basis of comparison, is exaggerated; (2) that the standards of the French-Canadian educational institutions are inadequate and that they do not train for many technical positions; (3) that practically all positions in the public service require some knowledge of English, whereas many do not require a knowledge of French, in which the French Canadian is usually more proficient;[5] (4) that the French Canadians often have little interest in administrative work or that they lack background and experience in positions of authority;[6] (5) that the French Canadians of the professional classes often have no desire to leave their work and environment in the Province of Quebec to accept office in Ottawa;[7] and (6) that French Canadians who are qualified for the higher administrative posts are in particular demand in private industry, which offers them special inducements.[8]

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[5] *Idem.*

[6] Cf. E. C. Hughes, *French Canada in Transition* (Chicago, 1943), pp. 205 ff.

[7] According to Minister of External Affairs St. Laurent, "French-speaking Canadians very often prefer living in Montreal, Quebec City, Three Rivers or Sherbrooke in the traditions of the province than living in Ottawa" (Toronto *Evening Telegram*, June 4, 1947, p. 21). In 1947 Defence Minister Claxton, also from the Province of Quebec, offered the writer a similar explanation for some of his difficulties in securing French-Canadian professional people for administrative positions in Ottawa when he was serving as Minister of National Health and Welfare.

Although the problem is an extremely complicated one, some data can be presented to support the first two of these answers. It would appear that in the public service positions in Canada persons of "English" origin are overrepresented in public employment, in comparison to their representation in all occupations, to a greater degree at the expense of foreign groups than of the French Canadian. The 1941 census showed by racial origin 47,739 persons fourteen years of age and over employed in the Canadian "public service."[9] This number represents, of course, only a small proportion of Canadian public employees,[10] but it does include identifiable groups of these employees, a high proportion of whom work for the federal government. In the public service occupations of this select census group, persons of British origin have by far the largest share of positions in proportion to their share of positions in all occupations (66.87 per cent as against 50.54 per cent). Persons of French descent have a share of public offices which is just slightly less than their percentage of people in all occupations (27.45 per cent as against 28.39 per cent). It is the foreign groups with 18.37 per cent in all occupations who have the very small number of 5.20 per cent of public service positions.

As Table I will indicate, the French Canadians have slightly less than their proportion of public positions in each of the designated regions excepting Quebec, with the widest gap existing in the Maritimes. In all of the regions, the foreign groups have a low percentage of participation in public employment. In the western provinces British Columbia furnishes an extreme case. In the Prairie Provinces they constitute 41.65 per cent of the population engaged in all occupa-

[8] J. A. Hume in the Ottawa *Citizen*, Sept. 13, 1947.

[9] Dominion Bureau of Statistics, *Occupations*, No. 0-3J (1941), pp. 10-11, 24-25, 30-31.

[10] Clerical workers, for example, are included under a separate heading with clerical workers in private industry. Federal employees include postmasters, postmen, mail carriers, etc. Firemen, policemen, and other types of municipal employees are also included.

TABLE I*

Racial Origin of Persons in Public Service Occupations and in All Occupations Five Regions—Canada, 1941

(Gainfully occupied, 14 years of age and over)

Public Service

	Maritimes		Quebec		Ontario	
	Number	Per cent	Number	Per cent	Number	Per cent
British	3,556	83.42	2,221	16.56	14,449	87.35
French	497	11.66	10,966	81.78	1,196	7.21
Other	193	4.53	184	1.37	868	5.23
N. S.	17	.40	38	.28	76	.46
Total	4,263	100.01	13,409	99.99	16,589	100.25

	Prairies		British Columbia		Canada	
	Number	Per cent	Number	Per cent	Number	Per cent
British	7,696	83.72	3,999	93.33	31,921	66.87
French	377	4.10	69	1.61	13,105	27.45
Other	1,038	11.29	193	4.50	2,478	5.20
N. S.	82	.89	24	.56	235	.49
Total	9,193	100.00	4,285	100.00	47,739	100.01

All Occupations

	Maritimes		Quebec		Ontario	
	Number	Per cent	Number	Per cent	Number	Per cent
British	264,789	71.76	175,607	14.77	1,044,606	71.79
French	75,074	20.34	933,060	78.50	125,384	8.62
Other	24,213	6.56	66,094	5.56	233,010	16.01
N. S.	4,905	1.33	13,894	1.17	52,055	3.58
Total	368,981	99.99	1,188,655	100.00	1,455,055	100.00

	Prairies		British Columbia		Canada	
	Number	Per cent	Number	Per cent	Number	Per cent
British	425,592	48.94	209,926	66.89	2,120,449	50.54
French	49,259	5.66	8,290	2.64	1,191,065	28.39
Other	362,199	41.65	84,326	26.87	770,610	18.37
N. S.	32,490	3.74	11,312	3.60	113,827	2.71
Total	869,540	99.99	313,854	100.00	4,195,951	100.01

*From Dominion Bureau of Statistics, *Occupations*, No. 0-3J (1941).

tions and have only 11.29 per cent of those in the public service. In British Columbia 26.87 per cent of the persons in all occupations are of foreign origin, whereas they hold only 4.50 per cent of the public service posts.[11]

Only two of the public service groups listed were composed exclusively of federal employees. They were postmasters and postmen and mail carriers. An examination of these groups will indicate that the distribution of positions between persons of English and French origin is quite similar to that of the whole sample.[12] There is a slightly higher percentage of representation of foreign groups here, which explains a slight drop in the representation of persons of English descent. In short, while only limited application can be made of the data in Table I, it does indicate that if the percentage of participation in all occupations is used as a basis for comparison, the foreign groups are far more heavily underrepresented in the public service than are the French Canadians. The French Canadians are heavily overrepresented in comparison to these foreign groups. At the same time, persons of French origin have a considerably smaller representation than persons of English origin.

In the Province of Quebec educational standards are recognizably lower than, and in some respects different from, those in the other Canadian provinces.[13] There was no compulsory school attendance in Quebec prior to 1943, and a smaller percentage of the population of that province has the necessary number of years of schooling required to qualify for many public service posts. The Census of Occupations of 1941 furnishes evidence showing that of all persons fourteen years of age or over who were employed in Quebec, only 33.99 per cent had attended school over eight years, as compared with 44.08 per cent in the other provinces. In addition, 49.78 per cent of those fourteen years of age and over employed in the public service of Quebec had more than eight years of schooling, as compared with 62.21 per cent in the other Canadian provinces.

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[11] There are several reasons for the small representation of the foreign groups. Appointments to positions in the federal and provincial services in Canada are normally limited to British subjects with a specified number of years of Canadian residence. Government business is conducted in either English or French, languages in which many of the foreign-born are not proficient. It is also probable that the newcomers have not become sufficiently "rooted" in their communities to give them influence necessary to secure appointments dependent upon political patronage. These conditions will help explain the fact that in the Prairie Provinces, where there are large numbers of recent immigrants, and in British Columbia, where there are groups of unassimilated Orientals, the representation of foreign groups in the public service is much smaller in proportion to their number than it is in the Maritime Provinces, where the foreign groups settled many years ago and are now generally assimilated.

[12] It is to be noted, however, that all of these employees are in the Post Office Department, which is not necessarily typical of the federal service as a whole.

[13] See chap. x.

Despite considerable changes in their requirements and curricula during the last ten years, the traditional courses in higher education in such institutions as Laval, Montreal, and Ottawa universities have not fitted their graduates for many public service positions requiring a high degree of technical competence. Though there is today an increasing interest in the sciences in the French-Canadian universities,[14] the stress is still upon the humanities in the "classical" education system of Quebec. Among the professions, training in law, medicine, and theology has continued to be emphasized, whereas training for some of the scientific professions has received less stress. A check of that part of the federal professional and scientific personnel who were members of the Professional Institute of the Civil Service of Canada in 1945 suggests that less than 10 per cent of these members were French Canadians and that a number of occupational groups contained no French Canadians.[15] It thus appears that in the public service the positions requiring a high degree of professional or technical training are generally filled by persons of English descent, while the

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[14] Note the discussions at the meeting in 1947 of the Vocational Conference of Canadian Universities (Montreal *Gazette*, May 26, 1947).

[15] This picture in the federal service may be compared with that of certain professional groups outside the public service. Regarding the distribution of French and English in professional occupations in the City of Montreal, one competent observer has commented: "The English are far more numerous than chance expectation in engineering, architecture and accounting. The French are correspondingly few in these professions. Professionals of certain new kinds—librarians, social workers, nurses—are likewise relatively fewer among the French than among the English; the ancient services which these new professions offer continue to be performed for the French largely by nuns and brothers" (Hughes, *French Canada in Transition*, p. 206).

French Canadians usually occupy the positions requiring less specialization, or specialization based on classical and legal training.

Whatever validity there may be in these explanations, they are being weighted with a general realization that more positive recruitment of French Canadians must be made in the federal public service in the future and that there is some actual discrimination against French Canadians which must be removed.[16] In certain underrepresented departments, ministers and personnel officers have been openly seeking French-Canadian recruits, especially since 1945. Other types of concessions have been discussed, and some changes have been made.[17]

The alternative, it is feared, will be at best the arbitrary reservation of a fixed percentage of posts for French Canadians, regardless of their qualifications. At worst, it might mean the sudden conversion after some future election of large segments of the public service into a French-Canadian training ground, particularly if the principle of "representation by population" were ever written into law.[18] This could occur following conceivable political changes and in the absence of offsetting factors when the rapidly expanding French-Canadian population will have approached nearer the 50 per cent mark.

But political planners have not ignored this possibility. The concern of the Liberal Party Caucus over the question led to the appointment in the summer of 1947 of an unofficial committee of five members of the House of Commons to investigate the problem.[19] There is no doubt that the French-

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[16] Note comments of Professor Frank R. Scott regarding representation on administrative boards in *Canada after the War*, p. 86.

[17] In 1938 the Civil Service Act was amended to provide that "no appointment, whether permanent or temporary, shall be made to a local position within a province, and no employee shall be transferred from a position in a province to a local position in the same or in another province, whether permanent or temporary, until and unless the candidate or employee has qualified, by examination, in the knowledge and use of the language of the majority of the persons with whom he is required to do business: provided that such language shall be French or the English language" (*Statutes of Canada*, 1938, c. 7).

[18] Frequently demanded by some French Canadians. For a demand that "every federal employee whose jurisdiction extends to the whole country" be "perfectly bilingual," note Commons, *Debates*, July 7, 1947, pp. 5284-5285.

[19] Flaherty, "Why So Few French Canadians in Civil Service," p. 8. In

Canadian problem is mentioned with caution in some departments and that it will continue to remain one of the most explosive problems in the Canadian public service.

THE VETERAN

The most carefully and thoroughly worked out postwar demobilization plans in Canada were those concerned with the treatment of veterans. Veterans who had been previously employed in the public service were guaranteed their former positions plus accrued rights, such as those of seniority, superannuation, and statutory increases. They were eligible for promotion during their absence. For recommending the release from the armed forces of persons whose services were desired for employment by the governmental departments, agencies, or commissions, a Government Services Selection and Release Committee was set up in 1945.[20] This committee consisted of representatives of several departments and acted under the chairmanship of the representative from the Civil Service Commission.

In matters of recruitment the general system of veterans' preference was at one time based entirely on Section 29 of the Civil Service Act.[21] The scheme calls for the ranking of those who had overseas service prior to a certain date and who pass the regular examinations above all civilians who pass, regardless of the marks of the veterans.[22] This system[23] stands

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addition to recommending the filling of forthcoming vacancies in deputy ministerships with French Canadians, this committee proposed the appointment of joint-deputy ministers for a number of departments, including Agriculture, Justice, Mines and Resources, and Trade and Commerce. Presumably one of these joint deputy ministers would be French Canadian (Ottawa *Journal*, July 3, 1947). A French Canadian, Laurent Beaudry, was appointed in 1947 to the recently created post of Associate Under-Secretary of State, to succeed H. H. Wrong. The results of the census of bilingual civil servants and employees undertaken late in 1947 at the instance of Solicitor-General Joseph Jean, "will be communicated" to the "Committee of Five" (Ottawa *Journal*, Nov. 24, 1947).

[20] P.C. 4644 of June 28, 1945.

[21] The preference was originally introduced by order in council and was later incorporated into the Civil Service Act (Dawson, *Civil Service of Canada*, pp. 91-92). Additional provisions, some temporary and some permanent, were incorporated into various orders in council under the War Measures Act (and other emergency legislation), under *Statutes of Canada*, 1946, c. 34, 64, and 66, and 1947, c. 53.

[22] P.C. 20/6173 of Sept. 21, 1945.

[23] For discussion, see Gordon H. Josie, "Administration of the Veterans'

in contrast to the point system used in the United States under which a specified number of points is added to the examination totals for veterans, and to the quota system used in England, under which a certain percentage of available positions is reserved for veterans. Physical requirements and age limits may be waived, provided Commission approval is secured. There are also legislative provisions granting "disability preference" for veterans, and special preference for the wives of veterans who lost their lives in the service. In certain special cases, as in the Department of Veterans Affairs and in the Commercial Intelligence Service of the Department of Trade and Commerce, recruitment was confined almost exclusively to persons entitled to preference for overseas service.[24]

The effects of the veterans' preference have been strongly felt in the public service. For various reasons the percentage of veteran appointments fell from 26 per cent to 9 per cent between the years 1935 and 1941, although the percentage of veterans applying in regularly advertised competitions did not fall. These reasons would include a probable progressive decline in the quality of the veteran applicants; the increase in the age of these applicants, making them increasingly less interested in the junior positions in the civil service; and a possible decrease in the rigidity with which the provisions for veterans' preference were observed. By the end of 1945, during which year over 11,000 of the total of 41,085 appointments made by the Commission were of veterans,[25] the percentage of appointments had climbed back again to a point in excess of the 1936 average. In 1946 more than 26,000 veterans, or over 80 per cent of all *male* appointments made during the year, were selected.[26]

A representative of the veterans has been placed on every examining board where there are veteran applicants, and as a result there has been little criticism from veterans' quarters

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Preference in the Canadian Civil Service," *Canadian Journal of Economics and Political Science*, XI (Nov., 1945), 601 ff.

[24] Civil Service Commission Pamphlet 25-M-3-44.

[25] *Annual Report*, 1945, pp. 5-6.

[26] Printed radio address of Carl J. Lochnan, Public Relations Officer of Civil Service Commission, April 6, 1947, p. 6.

of the administration of the examination system.[27] In fact, the Canadian Legion officers have on a number of occasions favored bringing positions in crown corporations and exempt agencies under the Civil Service Act because the percentage of veterans appointed to positions under the act has been higher than the percentage of veterans appointed to positions exempt from the act.[28] The Gordon Commission, recognizing complaints that the veterans' preference in Canada was "too rigid" and "not wholly satisfactory," recommended "that the operation of the absolute preference in Canada should be reviewed with the object of achieving a system that is designed to be both in the best long-term interests of the whole body of veterans as citizens and in the best interests of the present and future efficiency of the public service."[29] The result of this sound recommendation as far as the merit system is concerned was to help galvanize the opposition of the Canadian Legion to the report of the Gordon Commission as a whole.

Opposition to the veterans' preference finds few open spokesmen, especially in political circles, but many French Canadians are silently critical of it. The effects of the veterans' preference will operate, in the absence of countermeasures, to exaggerate the "disproportion" of French Canadians in the public service, as the percentage of persons between the ages of eighteen and forty-five in the armed forces during the years 1941-1944 was only about half as high for the Province of Quebec as for the rest of Canada.[30] Vocal criticism has rather been directed against the limitation of many of its benefits solely to those who have seen overseas service. The trend is, consequently, towards the extension of the benefits to wider groups of Canadian veterans rather than to a reduction in the type of preferment. Although plans have been projected for a study of the comparative efficiency of veterans and nonveterans, they have not yet been undertaken; and there is no really objective basis for evaluating the effects of veterans' preference upon the Canadian public service.[31]

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[27] The recently organized Dominion Civil Service War Veterans' Association has charged, however, that "veterans' preference outside of Ottawa has been sidestepped" (Ottawa *Evening Citizen*, Sept. 9, 1947, p. 3).

[28] Reference in Josie, "Administration of the Veterans' Preference in the Canadian Civil Service," p. 604.

[29] *Report*, p. 25.

[30] Department of Labour, *Changes in Population and in the Labour Force* (Ottawa, 1946), p. 6.

If there have been some difficulties in providing for the returning veterans, the complementary task of arranging for the orderly release of civilian employees has been equally trying. Better provisions were made for them than in 1918, however, and the released temporaries have at least those sums which were built up through deductions from their salaries. As indicated above, many were also entitled to unemployment benefits. The Civil Service Commission issued several circulars in 1945 which prescribed the following general order of priorities in issuing releases for temporary employees: (1) persons whose services were not wholly satisfactory, (2) persons who were ready to accept retirement, (3) casual part-time employees, (4) persons above the normal retirement age, (5) married women not dependent upon themselves for support, (6) other employees not entitled to the veterans' preference, (7) employees entitled to the veterans' preferences, and (8) employees entitled to the special veterans' preference for disabled cases.[32]

At a later date the Commission sent circular letters to the deputy heads of departments indicating the necessity of speedy action in releasing temporaries in sufficient numbers to make positions available for the returning veterans. In 1946-1947, after the beginning of qualifying examinations for permanent appointments, certain changes were made in the order of priority which would be followed in releasing surplus personnel. Certain major changes consisted of refinements which affected some of the different types of employees entitled to the veterans' preference, and were not always to the advantage of the veteran. For example, employees who were entitled to the preference and who had not established their eligibility to permanent posts were to be released before employees who were not entitled to the preference but had established their eligibility before or after September 1, 1939, under the conditions specified.[33] This process of release has not taken place without friction, and the efficiency of some establishments has been adversely affected by its operation.

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[31] Examination officials of the Civil Service Commission have found that the veterans are generally more "mature" than the nonveterans. The veterans have also benefited from various types of training within the service but show a general lack of "related experience."

[32] Embodied in Circular Letter 1945-12. On the application, note *Annual Report*, 1945, p. 6.

The problem of seeking employment for the older veterans who did not have any trade skills has presented difficulties to various governmental departments, and particularly to the Department of Veterans Affairs. One answer was found in public employment. An order in council was procured permitting the employment of many of these veterans in governmental positions not under the Civil Service Act. The positions were usually those of guards, elevator operators, and others not requiring special skills. An existing organization, the Corps of Commissionaires, was used as the agency with which the governmental agencies contracted for the services of the veterans. The present signs point toward increasing pressure from the veterans for additional public preferment for the older members.

THE PREVAILING-RATES EMPLOYEE

In addition to the permanent and temporary employees in the federal classified service, there are important groups of employees known as "prevailing-rates" and "casual" employees. The distinctions between these two types of employees were never clear-cut, but they were more precise at an early date than they are at the present day. The term "casual" was then used to designate persons who were employed for short periods, whereas "prevailing rates" was applied in cases of relatively continuous employment.[34] During the past twenty-five years many casuals have come to be continuously employed, and some prevailing-rates employees have been engaged in part-time and seasonal work. These and other developments during the war period have consequently affected, though they have not completely removed, the earlier distinctions.

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[33] *Civil Servants Digest-Organizer*, XXVI (April, 1947), 6. For the "order of release" as of June, 1947, see the *Civil Service Review*, XX (June, 1947), 152.

[34] However, note the coverage of P.C. 670 of March 27, 1930, dealing with the "hours of prevailing rate employees."

At the present time prevailing-rates employees are composed largely of tradesmen and laborers employed continuously and full time at the rates prevailing in the district for the kind of work they perform. The first provision for the payment of these rates to certain classes of public employees was apparently made in the classification of 1919.[35] After this rigid classification went into effect, the Civil Service Commission quickly found that some flexibility was necessary in dealing with many of the positions under its jurisdiction for which prevailing rates were paid. Orders in council exempting certain groups followed rapidly, and on June 29, 1922,[36] the first large-scale exemption order was issued. This order placed the power of selection of the designated classes of employees "entirely in the hands of the Department," subject to certain conditions which were laid down. For those classes the rates of pay were to be "such as are recommended by the Department and approved by the Governor General in Council." The emphasis today is still upon the discretion of the department concerned, as is indicated by a recent order in council dealing with holidays.[37] It provided that "Full time and Seasonal prevailing rates of pay employees for the purposes of this Order, shall include all such employees designated by the Department concerned."

In the case of casual positions, the Government has recently furnished something of an over-all definition. In 1940[38] it was decided to deduct for stated purposes 5 per cent from the salary of all those temporary employees holding "other than casual positions." Incumbents of the excluded casual positions were considered to include (1) "employees taken on for a definite period, not exceeding three months," (2) "part-time employees," (3) "sessional employees," (4) "seasonal employees," (5) "employees taken on as replacements for others absent on leave," and (6) "employees taken on outside Canada." It is clear from the provisions of these orders that there is no necessary incompatibility between certain classes of prevailing-rates and of casual employees and that a large percentage of casuals are paid at "prevailing rates."[39]

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[35] "The Classification of the Civil Service of Canada," *Sessional Paper* No. 294 of June 17, 1919.

[36] P.C. 1053. The exempt list covered two and one half pages and included blacksmiths, carpenters, plumbers, machinists, charwomen, etc. The status of prevailing-rates employees was discussed on various occasions by the Commons Special Committee on the Civil Service of 1923 (*Journals of the House of Commons*, Vol. LX, Appendix No. 5 [1923]). See especially the letter of Mr. C. H. Bland to the Canada Public Works Federation, of Dec. 22, 1920, reproduced, *ibid.*, p. 510.

[37] P.C. 182/2247 of April 4, 1945.

[38] P.C. 73/1985 of May 16, 1940.

The censuses of public employees of 1937 and 1943 indicate the growth in the number of prevailing-rates employees during those years.[40] In March, 1937, there were 5,661 prevailing-rates employees, or 9.86 per cent of the total. By September, 1943, this number had grown to 25,655 and the percentage to 18.46.

A comparison of the departmental figures furnishes a good picture of the effects of the war up to 1943. In 1937, 88 per cent of all persons employed on the prevailing-rates plan were in nine departments, two of which, Transport and Public Works, accounted for 57.50 per cent. In the Department of Public Works 40.89 per cent, and in the Department of Transport 29.06 per cent were on this system of pay. Another department with a high proportion on prevailing rates was National Defence with 40.52 per cent. With the outbreak of war, there was a great expansion in the personnel of the Department of National Defence,[41] and a more than proportionate part of this increase consisted of prevailing-rates employees. By the time of the 1943 census this proportion had risen to 51.43 per cent, and the tremendous growth of the defence services after 1939 will explain why this number included

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[39] Regarding seasonal employees, many of whom are casuals paid at prevailing rates, P.C. 182/2247 of April 4, 1945, reads as follows: "Seasonal employees in the Government Service are not fairly comparable with any class outside the Public Service either as to status, rates of compensation or term of seasonal employment. Such employees in the Government Service may be either permanent or temporary; their rates of pay may be affected by the number of seasons employed and various other factors, and their terms of seasonal employment may extend from a few months to the full year."

[40] Census tabulations compiled by officials in the Department of Finance.

[41] Includes the three service departments into which the Department of National Defence was divided.

78.78 per cent of all prevailing-rates employees in the public service. The proportion of prevailing-rates employees in all departments other than the Department of National Defence actually fell from 8.93 to 5.46 per cent between 1937 and 1943.

The sharp reduction in the personnel of the Department of National Defence after January 1, 1947, led to a rapid decrease in the total number of prevailing-rates employees in the public service. By the end of 1947 there were only 9,000-10,000 of these employees remaining in the service, of whom over half were employed in the Department of National Defence.[42] The Department of Agriculture, Department of Transport, the National Research Council, and the Post Office followed the Department of National Defence in total numbers of prevailing-rates employees at that time.

As indicated, most (but not all) prevailing-rates employees are exempt from the operation of the Civil Service Act, and they are selected by the department on a noncompetitive basis. Although patronage considerations have been declining in the making of these appointments, especially during the period of wartime labor shortages, and although a higher degree of skill is being required than formerly, the basic considerations outlined before the House of Commons Special Committee on the Civil Service of 1923 still apply. Said J. B. Hunter, then Deputy Minister of Public Works, regarding his department: "In Ottawa when we want to appoint anybody to the artisan staff the superintendent of buildings takes the matter up with the local members (House of Commons) and they go over a list of names and he selects a qualified man; that is the way it is done."[43] Shortages of applicants for many of these positions after 1939 have, of course, affected the role played by the "member" and the pressure for positions placed on him.

With many different types of prevailing-rates employees coupled with a general absence of unified central control over them, it is to be expected that the conditions and rates of compensation would vary widely. Three important groups may be singled out to illustrate some variations. The prevailing-rates employees of the Department of Public Printing and Stationery (Printing Bureau), constituting over 65 per cent of the total of 768 employees in October, 1946, are still compensated in accordance with statutory provisions dating back to the revision of 1906. Under these provisions no increases could be granted which would "raise the rate above that which is, at the time of such increase, paid for similar work in the cities of Montreal and Toronto."[44] The result has been that the Printing Bureau follows the rates which are fixed by collective bargaining in the two cities. There have been four revisions between 1919 and 1947 to conform with the new wage agreements in those urban centers. Employees engaged in construction work, who are subject to the Fair Wages and Hours of Labour Act of 1935,[45] are compensated according to prevailing-rates schedules which are prepared by the Department of Labour and approved by the Treasury Board.[46] Because of the special conditions affecting wage rates of Experimental Farm laborers and artisans, the wage rates there are fixed by the Department of Agriculture. Though the method of arriving at the rates of pay for the employees in construction work is the normal procedure for most prevailing rates, the illustrations above will indicate that there are major exceptions.

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[42] Estimate of George T. Jackson, Chief, Organization Branch of Civil Service Commission, as of Jan. 9, 1948. This estimate is based upon specific returns from eleven departments.

[43] *Journals of the House of Commons*, Vol. LX, Appendix No. 5 (1923), p. 636.

The standard hours of work of prevailing-rates employees were at one time the same as for other civil servants.[47] The later regulations, calling at that time for a forty-four-hour week and a 9 A.M. to 5 P.M. day except on Saturdays, were fixed by the Fair Wages and Hours of Labour Act, 1935,[48] which came into force on May 1, 1936. These were to apply "except in such special cases as the Governor in Council may otherwise provide." At various times modifications of the forty-four-hour week have been made.[49]

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[44] *R.S.C.*, 1906, c. 80, sec. 18. Actually the policy of following the practices in Montreal and Toronto appears to have started with an order in council of Nov. 27, 1893.

[45] *Statutes of Canada*, 1935, c. 39.

[46] In the absence of adequate data on prevailing-rates employees, this required Treasury Board approval is largely formal. The Department of National Defence: Army Services and one branch of the Department of Transport can employ local prevailing-rates employees without the prior approval of the Civil Service Commission, Treasury Board, or even of their own headquarters officials. Approval for this action is asked at a later date.

[47] See P.C. 670 of March 27, 1930.

For the first five years during which the prevailing-rates system was in effect, there appears to have been no regular provision for holidays with pay, although some concessions were occasionally made by a few departments. The first general provision for holidays with pay for prevailing-rates employees was made in 1925,[50] when many of them were granted an annual holiday of one week. Most of the prevailing-rates employees in the service were granted similar rights during the next fifteen years.

Various exceptions kept coming to light,[51] however, and a Treasury Board ruling regarding certain forest-products laboratory employees led to a reconsideration of the situation. In consequence, an order in council was issued in December, 1943,[52] which authorized annual vacation leaves with pay for full-time and seasonal prevailing-rates employees. These regulations were reviewed and amended in April, 1945.[53] The new order provided that "vacations with pay" for a period not to exceed one week were to "be granted by the Deputy Head of the Department concerned to all such Full Time prevailing rates of pay employees after they have completed one year of continuous service, and to all Seasonal prevailing rates of pay employees after they have completed one full season's work of not less than six months if their normal term of employment is not less than that period."

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[48] *Statutes of Canada*, 1935, c. 39.

[49] P.C. 3947 of Aug. 15, 1940, permitted construction employees to work a 10-hour day. On the other hand, certain prevailing-rates employees in the shipbuilding industry were granted a reduction to a 40-hour week by the National War Labour Board in 1946 (Commons, *Sessional Paper* No. 181 of Feb. 25, 1947).

[50] Commons, *Debates*, March 15, 1943, p. 1243.

[51] *Ibid.*, July 30, 1942, p. 5029.

[52] P.C. 1/9096 of Dec. 17, 1943, as amended by P.C. 165/2444 of April 5, 1944.

[53] P.C. 182/2247 of April 4, 1945. For recent discussions, see *Civil Service News*, XXVII (Feb., 1949), 9; *Canadian Civil Servant*, XXVIII (Feb., 1949), 8-9.

Additional concessions were made to special groups from time to time, culminating in January, 1947, in the granting by the Treasury Board to charwomen of annual two-week holidays and one-week sick leaves without pay deductions. This concession to the poorly paid charwomen apparently represented the first instance where sick leave with pay has been granted to part-time prevailing-rates employees.

Prevailing-rates employees have in the past frequently requested the extension to them of superannuation rights. After representations by many civil servant groups and considerable discussion over a period of years in the House of Commons, the Civil Service Superannuation Act was amended in 1944 by the addition of the following section:

> Where any officer, clerk or employee in the Civil Service who is not in receipt of a stated annual salary is deemed by the Treasury Board to be a permanent officer, clerk or employee or where any class thereof is so deemed, the Treasury Board may designate the said officer, clerk or employee or the said class thereof as a permanent officer, clerk or employee, or as permanent officers, clerks or employees for the purposes of this Act.[54]

By 1946 approximately two thousand prevailing-rates employees had been covered, a number which probably included the bulk of those eligible under the new provision.[55] The granting of superannuation rights to these continuing prevailing-rates employees is an interesting development since many continuing "temporary" employees in the regular classified service have not qualified for superannuation under the act.

Regarding this important segment of the federal employees, a few general conclusions can consequently be drawn. First, neither the prevailing-rates nor casual employees are clearly defined groups. The terms vary in usage, they are not mutually exclusive, and they are sometimes used interchangeably. Second, the prevailing-rates employees, who included a large percentage of the federal employees, were represented in the wartime expansion of the public service to a disproportionate extent. They were also sharing heavily in the contraction in 1947. Third, the prevailing-rates employees have since 1939 been obtaining more and more of the rights of permanent civil servants, especially in matters of holiday leave and superannuation, without losing their special compensation benefits. Despite this continued differentiation, the gap between the status of prevailing-rates employees and classified civil servants has been progressively narrowed.

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[54] *R.S.C.*, 1927, c. 24, as amended by *Statutes of Canada*, 1944-1945, c. 34, sec. 4 (3). Cf. the extension of pension rights to the "unestablished classes" in Britain in 1947 (Ottawa *Citizen*, Sept. 11, 1947).

[55] According to Assistant Deputy Minister of Finance W. C. Ronson, before the Gordon Commission (*Proceedings*, I, 75).

OTHER EMPLOYEE GROUPS

In accordance with the provisions of the Civil Service Act, Section 26 (3), and official pronouncements, the rule of equality for women, including equal pay for equal work, is applied in the Canadian public service. In actual practice there are various discriminations against women. Under wartime pressures some of these discriminations such as the general rule prohibiting the employment of married women were relaxed, but the post-hostilities period has seen their resurrection.

It is difficult to ascertain the nature and extent of the discrimination because it often takes the form of more rapid promotion for men or of more frequent reclassifications of positions in which men are employed. It is when one reaches the higher ranks that he finds the chief evidences. No woman before 1939 had gone farther than "the shadow of a Deputy Minister's office," and only a handful had been promoted past a chief clerkship. One of the two highest posts was that of Secretary of the Civil Service Commission. There was before 1939 no woman in salary grades above $4,000, and in 1947 there was none in those above $5,000. In commenting on this situation one distinguished woman has written of the "Exploited Sex" as follows:

> There is not one woman in the Civil Service in Canada in the "upper ten" classification of opportunity and salary, though scores of them are advising and sharing in top responsibilities. Though there are tens of thousands of women civil servants, there aren't a hundred in the over-$3,000 salary categories. Posts which women can fill admirably are often kept low in grade only until men begin to enter the field. The oustanding example of this at the moment is the library service.[56]

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[56] Charlotte Whitton, "The Exploited Sex," *Maclean's Magazine*, April 15,

The war period resulted in a somewhat larger number of women being placed in positions between a chief clerkship and that of assistant deputy minister. These particular gains were thus made during a period when many men had been taken away from the employment market and when the veterans' preference was not an effective factor. Despite these changes and modest gains, some women's organizations since 1945 have grown increasingly critical of alleged limitations of competition with males, of inequalities in promotions, and of discriminations against married women. Objections have been raised by individuals to proposed amendments to the Superannuation Act which distinguished between compulsory retirement ages for men and women.[57] In the demobilization of establishments and in the reduction of staffs, a larger number of women have been retained among the temporary employees than was expected at an early stage in the war. At the same time there has been no basic departure in theory from early postwar rules regarding the release of women.[58] Canadian women in the public service thus continue to occupy a position somewhere between their counterparts in Britain, where they occupy both in theory and fact a position of greater inferiority, and those in the United States federal services, where greater equality between the sexes exists.[59]

The most serious shortage of personnel today in the public services is that of scientists. This shortage is due to a number of factors, including the sudden expansion of agencies requiring their services, the effects of the war years on training programs, and migration.

Although the migration of scientific personnel to the

1947, p. 37; cf. D. L. Smithers, "Bottlenecks in the Civil Service," *Canadian Forum*, XXII (Nov., 1942), 250, and Calais Calvert, "Little Woman, What Now?," *Civil Service News*, XXV (Oct. 1947), 35 ff.

[57] Edna L. Inglis, "Seeking Equality for Women in the Civil Service," *Civil Service Review*, XX (June, 1947), 145.

[58] A special subcommittee of the Research Committee of the Civil Service Association of Ottawa was appointed in 1947 to study and report on the "status and problems of women employed as Ottawa civil servants" (*Civil Service News*, XXV [April-May, 1947], 10).

[59] Cf. the findings of the Royal Commission on Equal Pay in Great Britain, as summarized in Ruth Miller, "Equal Pay for Equal Work," *State Service*, XXVII (Jan., 1947), pp. 7 ff.

United States has been recognized for many years,[60] the postwar demand has caused particular attention to be focused on this exodus from Canada since 1945. The causes for the migration, more equipment for research, larger salaries, greater opportunities for promotion, and added inducements for graduate study in the United States, have been repeatedly recognized in reports, articles, and newspaper items.[61] To these factors have been added the higher income-tax rates in Canada, as compared with those in the United States, during the period since 1939.[62] The rapid rise in the cost-of-living index in the United States coupled with tax reductions in Canada after 1946 resulted in a greater equality of real income for the scientific worker in the two countries. Nevertheless, the differences, which are in part due to the general wage differential in the two countries, remained; and halting steps have been taken by Canadian governmental authorities to correct them. It need here only be repeated that there is a recognized postwar problem of the scientific worker in the public service.[63]

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[60] W. Burton Hurd, "Demographic Trends in Canada," *Annals*, CCLIII (Sept., 1947), 10 ff.; John B. Brebner, *Scholarship for Canada* (Ottawa, 1945).

[61] See, for example, "Why Canadian Scientists Migrate," *Institute Journal*, XXVI (May, 1947), 151. Special sources of "supply" have continued to be the Maritime and Prairie provinces, where employment opportunities for scientifically trained personnel are most restricted. There is, of course, also a serious shortage of scientifically trained personnel in the United States.

[62] Finance Minister Abbott, in his budget message in 1947, pointed to the effect of these "divergent tax policies" in causing "serious drain of Canadian personnel to the South," and to the consequent need for income tax reduction (Commons, *Debates*, April 29, 1947, p. 2620).

[63] "Continuing competitions" for positions in the social, biological, and physical sciences were instituted by the Civil Service Commission in 1948 to provide "more effective recruitment and assignment" (*Civil Service News*, XXVI [Nov.-Dec., 1948], 16-18).

· VI ·

Dominion Civil Servant Associations

THE CIVIL SERVANT associations[1] have been interested participants in many of the developments affecting the public employees since the outbreak of the second World War. Some examination must consequently be made of the history, organization, and duties of these organizations, especially as they have functioned from 1939 to 1947. Passing mention will be made of the trade unions and of other types of organizations in which public employees have been included. Special attention will be devoted to one wartime development, the creation of the National Joint Council, in which the associations actively participated.

THE ASSOCIATIONS

There has been no federal legislation in Canada prohibiting public employees from organizing. It was not until the latter part of the nineteenth century, however, that there were the first sporadic beginnings of the associations of federal employees.[2] As in Great Britain and other countries, the numerical strength of the employees of the Post Office, their common type of work, and their relationship within a single department explained why the beginnings of organization in Canada were found among postal employees. The Federated Association of Letter Carriers dates its origin from September, 1891. The actual beginnings of most of the present-day associations are to be found, however, in the period from 1900 to 1918. Illustrations are the Civil Service Association of Ottawa, which originated in 1907; the Association of Canadian Postal Employees, which dates from 1911; and the Dominion Railway Mail Clerks Federation, which started in 1917.

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[1] Because of common usage and the names of many of the associations, the expression "civil servant association" has been used in this chapter.

[2] See *Civil Service Review*, XIX (Dec., 1946), 315. For comparisons with the development in the United States, see Spero, *Government as Employer*, chaps. 5-9.

At the end of December, 1946, there were five main organizations of federal employees. The largest one was the Civil Service Federation of Canada, which was founded in 1909 and which included in August, 1947, twelve national associations[3] and a number of local associations in the various departments. The growth in the membership of the Federation can be explained by pointing to the development of two of its largest affiliates. One of these, the Civil Service Association of Ottawa, had reported 4,000 members at the end of 1939, 6,973 at the end of 1943, and 11,800 at the end of 1946. Another, the Association of Canadian Postal Employees, grew from 900 at the end of 1939 to 3,000 at the end of 1943 and to 5,200 at the end of 1946. The total membership of the affiliated units of the Federation was reported to have increased from 14,349 in 1939[4] to 28,285 at the end of 1943, to "about 45,000" at the end of 1947.[5]

The membership of the Federation consists, as its name would indicate, of units rather than of individuals. Of these the Civil Service Association of Ottawa, from which the Civil Service Federation originally sprang and with which it has been most closely identified, is open to all government employees in the City of Ottawa, whether permanent or temporary or prevailing-rates employees. Outside Ottawa the associations affiliated with the Federation are generally organized along departmental or functional lines. One department, the Post Office, has three separate associations. Thus the Federation is a loose combination of associations organized on both a territorial and functional basis. As such, it presents the broadest cross section of the public-employee groups.[6]

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[3] The Civil Service Association of Ottawa, the Customs and Excise Officers Association, the Federated Association of Letter Carriers, the Association of Canadian Postal Employees, the Dominion Railway Mail Clerks Federation, the Soldier Settlement and Veterans Land Act Staff Association, the Dominion Income Tax Staff Association, the Unemployment Insurance Commission Employees Association, the Department of Veterans Affairs Employees Association, the National Public Works Employees Association, the Dominion Meteorological Civil Service Association, and the Maritime Fisheries Civil Service Association.

[4] *Twenty-ninth Annual Report on Labour Organization in Canada* (Ottawa, 1940), p. 249.

[5] *Thirty-seventh Annual Report on Labour Organization in Canada* (Ottawa, 1949), p. 89.

[6] On the changes in organization made by the Convention of the Federation in November, 1947, see *Civil Service News,* XXV (Nov., 1947), 6, 7, 15 and XXV (Dec., 1947), 14 ff.; Ottawa *Evening Citizen,* Nov. 7, 1947, p. 17.

The two most important organizations not affiliated with the Civil Service Federation are the Amalgamated Civil Servants of Canada and the Professional Institute of the Civil Service of Canada. The first of these was organized after a split in the ranks of the existing associations of postal employees which resulted from a strike among postal employees in 1918. It began to function under its present name in 1921. Its membership, which is open to any employee in the service of the Dominion Government, increased by about one third during the years between 1939 and 1947. Most of this membership, 7,141 in number at the end of 1947,[7] consists of employees (especially postal employees) organized in locals in the western provinces and in Toronto.

The Professional Institute of the Civil Service had its inception in 1920 among professional groups who were dissatisfied with the classifications of 1919. Membership eligibility, which is flexibly interpreted, includes any person below the rank of deputy minister who is either a graduate of a recognized university or college or who has membership in one of several designated professional societies. The membership grew in number from 1,400 in December, 1939, to 2,000 in December, 1947. It is organized into a large number of professional groups in Ottawa and regional groups outside the city.

The Canadian Postmasters Association has had little reported change in membership for several years. Early in 1947 it claimed 5,500 members.[8] Founded in 1906, this association consists primarily of postmasters and employees of post offices which are operated on a commission basis in Canada. A large percentage of the officials of these "revenue post offices" were originally political appointees. The Rural Mail Couriers Association had only about 1,247 members at the end of 1947 out of the several thousand persons who had been awarded mail contracts in rural areas. Occasionally some new organization appears on the scene. The latest of these has been the Dominion Civil Servants War Veterans Association,[9] which represents a minor effort to organize the war veterans in the public service.

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[7] *Thirty-seventh Annual Report on Labour Organization in Canada*, p. 89.

[8] Communication from C. D. Griffith, Dominion Secretary, as of May 19, 1947.

[9] See *Civil Servants Digest-Organizer*, XXV (May, 1946), 15.

The 55,000-60,000 organized employees at the end of 1947, to exclude the employees of revenue post offices, represented somewhat less than one half of the total number of eligible members. Of those organized, approximately two thirds are members of the associations affiliated with the Civil Service Federation. The most rapid increase in membership occurred during the expansion of the public service from 1939 to 1943 and has been continued during the post-hostilities period of 1945-1947. In this increase the civil servant associations show developments which are analogous to those in the trade unions of Canada.

The basic aims of all these associations have been to improve the status of their members. The emphasis has been primarily upon the economic aspects of compensation, promotion, classification, and retirement, with only incidental concern given to administrative efficiency or in-service training. The shifting emphasis in the programs of the various associations reflects changes in strategy in their quest for shorter hours, higher wages, longer holidays, and improved superannuation systems. The associations frequently press for the extension of civil servant status to employees not covered by the Act;[10] they favor promotion from within the ranks and usually from within the department or establishment; they urge a reduction in the compulsory retirement age for public employees to 65; they have opposed the quota system fixing the ratio of permanents and temporaries in departments; and they have been strong defenders of the Civil Service Commission where moves have been made to reduce its power. At present there is general agreement that the five-day week should be among the next major goals. Halting moves have been made in the direction of collective bargaining and compulsory membership by associations with trade union affiliations,[11] for the check-off by the Civil Service Association of Ottawa, and for a guaranteed minimum salary to every employee of not less than $1,500 per annum by the Amalgamated Civil Servants of Canada. These goals are several notches beyond those which were advocated in 1939.

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[10] This point has been currently stressed by the Canadian Postmasters Association and by the Dominion Income Tax Staff Association, which desire "regular civil service status" for their members. See Form Letter of Feb. 1, 1947, from the Secretary-Treasurer of the Canadian Postmasters Association to all members. These employees have not been merit appointees and would naturally benefit from the security of tenure which civil servant status would afford.

To achieve these aims, the associations function as pressure groups of a special type. Approaches are made to members of the House of Commons, though with care and caution, and some of the members' questions listed in the *Debates* have had their origin in the information and suggestions by association officials. The Civil Service Association of Ottawa considers its major function to "represent the views of Government employees to the Cabinet, the Civil Service Commission, the Treasury Board, Royal Commissions, Parliamentary Committees, and other bodies."[12] These appearances often involve written submissions in the preparation of which considerable work has been involved.[13] Most of these documents deal with problems of the moment and are usually polemical in character. However, they are being prepared today by certain of the organizations with greater care than before the war. Nevertheless, the associations have not provided any basic research work in the problems of the public service.

Their increasing awareness of the role of public opinion and especially of the effects of popular misunderstandings and misconceptions about the public service is evidenced by new techniques to create favorable public predispositions. The Professional Institute conducted a series of radio discussions in 1946-1947, to explain its work and that of some of its individual members and groups. The Civil Service Association of Ottawa, in its efforts to secure an increase in salaries in 1947, arranged for a well-attended public meeting to discuss its brief before presenting the revised document to the Cabinet. There is considerable controversy over the effectiveness of these methods of pressure on the Cabinet, but there is general agreement that the techniques utilized are new ones.

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[11] *Canadian Postal Employees National Convention,* Oct. 23-25, 1944, pp. 42, 57.

[12] Recruiting Circular of 1947 (undated).

[13] See the Appendices to the *Memorandum* presented by the Professional Institute of the Civil Service to the Gordon Commission covering the years 1939-1946. Note also the *Institute Journal,* XXV (June, 1946), 181-182; XXVI (June, 1947), 176-178.

The differences in outlook of some of the associations reflect in part the differences in the types of membership. These divergences, plus a liberal dose of organizational rivalry, have been present in the continued bitterness between the Amalgamated Civil Servants of Canada, which favors one unified organization of all public employees, and the Civil Service Federation, which places a heavier emphasis upon organization along departmental lines and on federation.[14] The widest gap in the economic status of the members is seen in the contrast between the membership of the Amalgamated Civil Servants, composed almost entirely of persons in the lower-paid classes, and the membership of the Professional Institute, which is composed of scientific, professional, and technical workers in the higher-paid classes. Although the Civil Service Federation contains affiliates with membership including many wartime temporaries and prevailing-rates employees on the one hand, as well as professional employees on the other, its units are chiefly composed of the middle- and average-salaried personnel.

The dues paid to the associations up to 1947 have varied widely, and the services performed by the organizations have been conditioned thereby. The lowest annual dues have been those of the Dominion Income Tax Staff Association, which charges fifty cents, and the Civil Service Association of Ottawa, which charged a similar amount until 1946, when the dues were raised to one dollar. In the case of other associations, the dues have ranged from two dollars and fifty cents (in 1946) for the Professional Institute, to three dollars for the Canadian Postmasters Association, to six dollars for the Association of Canadian Postal Employees and the Amalgamated Civil Servants, up to an average of twelve dollars for the Dominion Railway Mail Clerks Federation.[15] In addition to a small charter and registration fee, the Civil Service Federation was deriving its financial support in 1947 from a twenty cents per annum "per capita tax."[16] Certain of these associations, including the Civil Service Association of Ottawa, increased their annual dues in the period from 1947 to 1948.

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[14] See, for example, the *Civil Servants Digest-Organizer*, XXI (April, 1942), 6 ff., and the *Civil Service Review*, XVI (March, 1943), 80. The editorial page of almost any issue of the journal of the Amalgamated Civil Servants contained some blast against the Civil Service Federation or one of its postal affiliates. See particularly *Civil Servants Digest-Organizer*, XXVI (May, 1947), 2-3.

[15] The dues of the Professional Institute are fixed at the Annual Convention and change frequently. Those of the Association of Canadian Postal Employees

There is also a diversity in the types of publications which are issued. With rare exceptions, each of the national associations and occasionally some of the regional and local organizations issue either a regular journal, an annual convention number, or some other type of publication. Monthly journals are the *Postal Tribune* of the Association of Canadian Postal Employees, the *Railway Mail Clerk* of the Dominion Railway Mail Clerks Federation, the *Civil Servants Digest-Organizer* (the *Canadian Civil Servant* since November, 1947) of the Amalgamated Civil Servants of Canada, the *Institute Journal* of the Professional Institute of the Civil Service, and the *Civil Service News* of the Civil Service Association of Ottawa. The best-known and the most complete publication is the quarterly, the *Civil Service Review*, the official organ of the Civil Service Federation. With a few exceptions all of these journals were started before the war, and there have been few basic changes in the nature of their contents in the subsequent period.

The organizations of the associations and federations exhibit individual features, but they regularly provide for the usual officers, some type of executive committee, and a convention of members or delegates. The Civil Service Association of Ottawa and the Professional Institute, whose members are largely concentrated in Ottawa, hold an annual convention. The convention of the National Council of the Dominion Income Tax Staff Association meets every two years. The conventions of the Amalgamated Civil Servants and of the Civil Service Federation are held triennially. These associations have in some cases not changed their officers for many years. This has been true in the past of the Civil Service Federation, where V. C. Phelan held the office of president from 1928 to 1947. The President of the Civil Service Association of Ottawa, T. R.

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were increased to $9.00 in Oct., 1947. The annual dues of the Dominion Railway Mail Clerks Federation are fixed by the divisional organizations and vary somewhat, but the Federation received annually $8.00 per member in 1947.

[16] Civil Service Federation, *By-Laws*, 1944, Nos. 2-4.

Montgomery, had held that position since 1939 at the time of his retirement in 1945. In the case of the Professional Institute with its specialized type of membership and without a permanent secretary, there have been frequent changes in leadership. In any case, the actual work of the associations and federations falls into very few hands.

One development which has been of significance to the work of these organizations has been the tendency to appoint full-time secretaries. Before the war all of the associations depended upon voluntary or part-time workers except the Amalgamated Civil Servants, whose secretary-treasurer, Fred Knowles, has largely directed the affairs of that organization since its founding, and the Federated Association of Letter Carriers. Since that time the Association of Canadian Postal Employees,[17] the Railway Mail Clerks Association, and the Civil Service Association of Ottawa have followed the example of the two last named organizations. The Civil Service Federation made provision for a part-time secretary to the fall of 1947 and for a full-time one thereafter. More recently the Customs and Excise Officers Association and the National Unemployment Insurance Employees Association have decided to provide full-time secretary-treasurers in Ottawa.[18] In short, the growing membership and financial strength of these organizations were being reflected in the provision for full-time and more permanent staffs at the central headquarters.

As in England and in the United States, the classified employees of the Post Office Department are the most completely organized of all departments, though they are divided into the three postal associations affiliated with the Civil Service Federation and are heavily represented in the Amalgamated Civil Servants. Each of these associations has a full-time secretary, and their annual dues are among the highest. Furthermore, they were among the first to organize, and they have been in times past among the most effective in presenting their demands. There were strikes of postal employees in 1918 and in 1924, the latter of which was unsuccessful.[19] These episodes divided the postal personnel badly and help explain the conflicts today between certain of the organizations containing postal employees. The French-Canadian problem has also complicated the work of the associations. Although no separate association of French-Canadian postal employees has been set up, there were occasional threats from groups in Quebec, especially between 1920 and 1930, which still are remembered today in making major decisions. In 1945 a Postal Brotherhood, a loose union of the three organizations of postal employees affiliated with the Civil Service Federation, was formed. Though each of the postal organizations "retained its own autonomy," as the secretary-treasurer of one expressed it, "the Brotherhood can speak with one voice for 12,000 employees of the Operating Staffs."

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[17] This association on previous occasions had both a full-time and a part-time secretary.

[18] *Civil Service Review,* XIX (Dec., 1946), 339.

[19] "The First Thirty Years Were the Hardest," *Canadian Postal Employees*

TRADE UNIONISM IN THE PUBLIC SERVICE

Trade unionism has made little headway among the Canadian public employees. Despite the absence of legislation prohibiting trade union affiliation, comparable to that in Britain from 1927 to 1946, there have been a number of obstacles to unionization. Male white-collar workers do not lend themselves readily to union organization, and the women, who constitute a large percentage of the employees, are especially difficult to organize. In addition, some of the Canadian Governments and ministers in the past have looked with disfavor on unions of public employees.[20] The unions which have proved durable have generally been organized among civil servants outside of Ottawa, away from the political center. With one major exception (the Associated Federal Employees' Union No. 66 in 1920), the successful attempts to organize these unions have not been made among the clerical employees who form a large part of the service. They have rather been among workers who are employed in types of work found ex-

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National Convention, p. 118. During the war there were several cases of organized protest and stoppage of work to secure better working conditions, outside the postal services. The best-known instance occurred in Oct., 1943, among the employees of the Dominion Bureau of Statistics.

[20] Note letter of Sir George E. Foster, Acting Prime Minister, to members of the Trades and Labor Congress in 1920 (*Labour Gazette*, XX [April, 1920], 372; cf. Public Works Minister Fournier in Commons, *Debates*, Nov. 29, 1945, p. 2685).

clusively in the public service, such as postal, customs and excise, and immigration work. During the period after 1939, however, some additional headway was made in organizing manual and temporary workers, both in and outside Ottawa.

Today there are two types of trade union affiliations which involve the public employees of Canada. The one is the affiliation of associations of personnel with the trade union congresses. The other is the direct membership of public employees in either national or international trade unions.

For some years the Customs and Excise Officers Association, the Federated Association of Letter Carriers, and the Association of Canadian Postal Employees have been affiliated not only with the Civil Service Federation but also with the Trades and Labor Congress of Canada.[21] Each convention of the Trades and Labor Congress, about 75 per cent of the membership of which belongs to international unions affiliated with the American Federation of Labor, has seen a number of resolutions presented by delegates from the public associations. Most of these resolutions deal with questions of overtime pay, compensation, leave, and superannuation rights. Although the statement of policies of the Congress includes an acknowledgment of these public employee demands,[22] there is no evidence that the associations play any important role in the deliberations of the Trades and Labor Congress. On the other hand, it is possible that the influence of the trade union body has led to an extension and revision upwards of the goals of the associations.

None of the associations has affiliated with the Canadian Congress of Labour, about 70 per cent of the membership of which belongs to international unions affiliated in the United States with the C.I.O. The membership of the Amalgamated Civil Servants held a plebiscite in 1941 on the question of affiliation,[23] but the move was defeated by a narrow margin.

[21] *Thirty-fifth Annual Report on Labour Organization in Canada*, p. 84.

[22] *Proceedings of the* [*58th*] *Annual Convention of the Trades and Labor Congress of Canada*, 1942, p. 33; 1943, p. 32; 1948, p. 42. Note also *Memorandum Presented to the Dominion Government by the Trades and Labor Congress of Canada*, April 23, 1945, p. 10.

[23] The arguments for and against affiliation were presented in *Civil Servants Digest-Organizer*, XX (April, 1941), 12. Cf. *Canadian Civil Servant*, XXVIII (Feb., 1949), 2 for more recent discussion.

The question also has been subsequently discussed, notably at District Conventions of the Amalgamated Civil Servants in 1948. By and large, the Canadian Congress of Labour has made fewer efforts to secure the affiliation of federal public employees than it has in the case of municipal employees.

In the case of many of the prevailing-rates employees and of some of the other casuals, there has been participation in unions which are affiliated with one or the other of the labor congresses. For example, a substantial majority of the tradesmen at the Government Printing Bureau were in 1947 members of the International Typographical Union, the International Stereotypers and Electrotypers' Union, the International Brotherhood of Bookbinders, and the International Printing Pressmen and Assistants' Union. It is not known how much of the increase in the membership of these unions since 1939 can be attributed to additions from the ranks of public employees.

The years between 1939 and 1947 have witnessed no spectacular developments in the unionization of public employees or in the trade union affiliations of the associations. The strikes which have occurred among groups of public employees came during the years after the end of the first World War and could hardly be attributed to trade union influence. Though there was sufficient unrest among certain postal employees to cause official concern during the Second World War period at one time, there was no serious organized agitation for a postal strike then or subsequently.

OTHER PUBLIC EMPLOYEE ORGANIZATIONS

The influx of the large number of temporary employees during the war period brought to light the serious inadequacies of the recreational facilities in Ottawa. To fill this need the Ottawa Civil Service Recreational Association (R.A.) was organized and received its incorporation in 1943-1944.[24] The R.A., with some 10,000 members at the end of 1946, was providing a series of over fifty activities in which its members might participate. It issued its own publications, the *R.A. News* and the *R.A. Weekly Bulletin*. The Department of Finance has permitted a deduction of the regular annual dues of $3.00

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[24] *R.A. Letters Patent and By-Laws, Revised to March, 1945.*

per year from the salaries of members, a large percentage of whom are among the lower-paid clerical and stenographic classes. The R.A. has remained independent of any direct connection with the associations, but many of its members are also members of the Civil Service Association of Ottawa. The check-off of dues, permitted to the R.A., has suggested tempting analogies for some of the associations.

In addition to the R.A., there is the Civil Service Co-operative Credit Society, Ltd., which was founded in 1908 and which was chartered under the Credit Unions Act of Ontario in 1928. Its 3,800 members in 1939, composed exclusively of public employees, had not materially increased by 1946.[25] It serves as a lending agency which will make personal and mortgage loans up to $2,500 to public employees. There is also a Civil Service Mutual Benefit Society,[26] a mutual insurance organization which provides insurance in small amounts and at low rates for public service personnel. The business of these two small-scale societies has increased somewhat during the past ten years, but otherwise there has been no change in their method of operation.

THE NATIONAL JOINT COUNCIL

After an examination of the record, it seems surprising that some form of Whitley Council or other type of representative council was not adopted long before 1944. During the past twenty or twenty-five years practically all of the civil servant associations have agitated for a representative council. For example, the Civil Service Federation looked with favor on the Whitley Councils soon after their adoption in Britain, and later proposed the establishment of representative councils to each of the four Parliamentary committees created after 1930 to study the operation of the Civil Service Act.[27] The Professional Institute, at least after 1928, is similarly on record.[28] The chief reservations of the associations have not been directed at the principle of representative councils but rather at the types of councils to be set up and the details of plans presented. Thus the basis for representation on councils has been something of a stumbling block to a completely unified point of view at all times.

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[25] See *Civil Service News*, XXIV (March, 1946), 71 ff.

[26] This society was founded in 1872. See *ibid.*, XXIV (April, 1946), 96 ff.

[27] "A National Civil Service Council," *Civil Service Review*, XVII (March, 1944), 12.

[28] *Silver Jubilee History, 1920-1945* (Ottawa, 1945), pp. 24-25, 28, 55, 69 ff.

On the official side, there were suggestions made as early as 1919 for the establishment of a Canadian version of the Whitley Council.[29] On September 11, 1926, W. L. Mackenzie King, then Leader of the Opposition, made a frequently quoted statement in a campaign speech in Ottawa:

> I have always advocated joint councils in matters of industry, and I think that in the relations of the Civil Service and the Government, a Council on which there would be representatives of the Civil Service to speak directly to members of the Government, or to take up with heads of department, matters of interest to all government departments, would be of the utmost service to all concerned.[30]

In 1928 a bill was introduced in the House of Commons by J. S. Woodsworth which would have authorized the creation of both a National Council and departmental councils. The House Committee to which the bill was referred recommended that the Government establish a committee to draw up the constitution for a National Civil Service Council.[31] An additional step was taken when Order in Council 970 of May 7, 1930, established a committee to draft a constitution for a National Council. Prior to the first called meeting of this drafting committee, the Government had changed, and there was an indefinite postponement of any action. Sporadic discussions occurred later in 1930 and 1931, but no action followed. The order in council seems never to have been repealed, and as late as 1938 one of the civil service associations was "requesting" that "the provision of P. C. 970 of May 7, 1930, be given effect to."[32]

An additional impetus to action came from the endorsement by the Government of the "principle of collective bargaining" during the early days of the war.[33] Finance Minister Ilsley, in making the first announcement that a National Council for the public service was to be set up, indicated that such action would be "in conformity with the Government's announced policy of promoting employee representation in private industry and the improvement of industrial relations generally."

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[29] Dawson, *The Civil Service of Canada*, p. 248.

[30] *Silver Jubilee History*, p. 69.

[31] At the same time the Select Standing Committee on Industrial and International Relations, to which the bill had been referred after its second reading, recommended that the bill (the principles of which it approved) not be proceeded with, on the ground that the objects of the bill could properly be dealt with by order in council (*Journal of the House of Commons*, LXV [1928], 203-204).

[32] *Silver Jubilee History*, p. 70.

In consequence of these developments the Minister of Finance announced on February 24, 1944, in the House of Commons, that the Treasury Board had decided on the establishment of an "employer-employee council in the public service of Canada" modeled after "the pattern which has been evolved in the United Kingdom through the application of so-called Whitley Councils to the British public service."[34] This body, to be known officially as a "national joint council of the public service of Canada," was to be established under a "tentative constitution." A permanent constitution would follow after oportunity had been permitted to secure the recommendations of the preliminary council itself. Initially it was suggested that the National Joint Council consist of six representatives of the "official or employer side" of the public service and of six representatives of the "staff or employee side." Five specifically named civil servant organizations, the Civil Service Federation, the Civil Service Association of Ottawa, the Amalgamated Civil Servants, the Professional Institute, and the Customs and Excise Officers Association, were each to name one member to the Council, while the three organizations of postal employees collectively were to name one representative.

The recommendations of the Minister of Finance were incorporated in the draft of a "preliminary constitution," which was officially sanctioned by an order in council of May 16, 1944.[35] The number of association representatives was raised from six to eight by according each of the three postal associations separate representation, and the number of representatives of the official side was correspondingly increased to eight.

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[33] This endorsement was embodied originally in P.C. 2685 of June 29, 1940, secs. 7-8.

[34] Commons, *Debates*, Feb. 24, 1944, p. 778.

[35] P.C. 3676.

The staff side was composed of officers or delegates of the associations; the official side included the Chairman of the Civil Service Commission and other officials, none of whom held a rank below that of assistant deputy minister. The Department of Finance had two members, one of whom, Dr. W. A. Mackintosh, was designated chairman of the Council.

The "purpose" of the Council, as stated in Article 2, was:

> . . . to secure a greater measure of cooperation between the State, in its capacity as employer and the general body of civil servants in matters affecting the Civil Service, with a view to increased efficiency and improved morale in the public service combined with the well-being of those employed; to provide machinery for dealing with grievances; and generally to bring together the experience and different points of view of representatives of the administrative, clerical and manipulative branches of the Civil Service.[36]

The "duties of the Council" were more specifically outlined in Article 5. The most important were:

> a) To recommend to the Treasury Board the best means of securing to the staff a greater share in and responsibility for the determination and observance of the conditions under which their duties are carried out.
>
> b) To make recommendations to the Treasury Board or the Civil Service Commission as the case may require, respecting the general principles governing conditions of employment in the public service of Canada including recruitment, training, hours of work, promotions, discipline, tenure and remuneration. (Individual cases involving promotion, disciplinary action or other matters, shall not be considered by the National Joint Council.)
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> . . . .
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> f) To make recommendations to the Treasury Board respecting proposed legislation in so far as it may have a bearing upon the position of civil servants in relation to their employment; in particular to consider and make recommendations to the Treasury Board not later than October 31, 1944, in regard to
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> > 1) a permanent constitution for the National Joint Council of the Public Service of Canada, including, inter alia, provisions designed to assure fair and equitable representation to various groups within the public service;
> >
> > 2) the advisability of providing for the establishment of various departmental and/or regional joint councils; and

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[36] Copied with minor changes in phraseology from Art. 21 of the Constitution of the British National Whitley Council.

3) the organization and procedure of such department and/or regional joint councils and their relationship to the National Joint Council.

As to the organization,[37] the Chairman of the Council was designated from the official side, while the Vice-chairman was to be elected by the staff-side representatives from among their own members. At the initial meeting of the tentative Council on June 12, 1944, the staff side was appointed as a committee under the chairmanship of the president of the Civil Service Federation, V. C. Phelan, who was later selected as Vice-chairman of the Council. Each side was to select a secretary from its membership. Meetings were to be held four times a year, and also upon the call of the Chairman and Vice-chairman. "Decisions of the Council" were to be "arrived at by agreement by the two sides," were to be signed by the Chairman and Vice-chairman, and were to be "reported to the Treasury Board and/or to the Civil Service Commission as the case may require."[38]

After several preliminary meetings and discussions,[39] a number of proposed amendments to the tentative constitution were approved at a general meeting of the Council on October 16, 1944. These included an increase in the number of staff-side representatives from eight to ten. The Council also recommended that the constitution be amended to permit reports to the Governor in Council, in addition to the Treasury Board and Civil Service Commission.[40]

During the same period the Council gave consideration to some of the changes in employment relationships which had been demanded by staff-side representatives. Among others, these changes involved the basic salary rates in the Postal

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[37] See C. W. Rump, "The National Joint Council of the Public Service of Canada," *Civil Service Review*, XIX (Sept., 1946), 249 ff.

[38] Art. 6e.

[39] A summary of the matters discussed at the meetings of the staff side and of the general Council from June 12, 1944, to April 17, 1945, is included in "The National Joint Council of the Public Service of Canada," *Civil Servants Digest-Organizer*, XXIV (June, 1945), 7 ff. See also *Civil Service Review*, XVII (Sept., 1944), 334-335.

[40] The representative of the Civil Service Federation had been previously instructed to insist upon the right of the Council to report to the Governor in Council and to "other competent authority" (*ibid.*, XVII [June, 1944], 141).

Service, the payment of cost-of-living bonus to employees receiving more than $2,100 and less than $3,000, the restoration of statutory increases which had been stopped in 1942 for some classes, the broader application of the right to receive the war-duties supplement, and the authorization of various reclassifications. Following a general meeting on January 8, 1945, specific recommendations on the above-mentioned matters were made by the Council to the Treasury Board.[41] On March 26, 1945, Finance Minister Ilsley announced that certain of the recommendations of the National Joint Council, including those dealing with the permanent constitution, had been adopted with only minor changes by the Treasury Board.[42] Action on the recommendation for extending the right to receive the cost-of-living bonus was deferred pending a detailed examination of the "effects which would follow from its adoption."

The permanent constitution which incorporated the amendments proposed by the tentative Council on October 16, 1944, was embodied in a Treasury Board Minute (T 272 382B) of March 8, 1945. It differed from the tentative constitution in three respects. First, the representation on the staff side was raised from eight to ten.[43] The result was a Council membership of (not less than) eight official-side and of ten staff-side members. In fact, it has consisted of eighteen members. Second, the statement of duties of the Council was broadened to permit recommendations to the Governor in Council. With the exception of two paragraphs, this final statement of duties embodied in Article 6 of the permanent constitution was almost identical in phraseology to the statement of duties embodied in Article 23 of the Constitution of the British National Whitley Council for the Administrative and Legal Departments. Third, the provisions regarding the selection and duties of the officers of the council were presented in more detailed and specific terms than in the tentative constitution.

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[41] *Civil Servants Digest-Organizer*, XXIV (June, 1945), p. 8.

[42] *Civil Service Review*, XVIII (March, 1945), 99.

[43] The Treasury Board recognized that "this would mean a Council somewhat unwieldy in size" but acceded to the increase demanded by the "three postal organizations" which insisted that each organization "be allowed to name its own representative" (Commons, *Debates*, May 15, 1944, p. 2945).

None of these changes could be classed as major ones. It is to be noted that the British organization consists of a national council and departmental councils, and in recent years the usefulness of this system has been chiefly the result of the work of certain of the departmental councils.[44] In other words, Canada established initially only a part and not necessarily the most important part of the structure of the British Whitley Council system.

Article 19 of the Constitution of the National Whitley Council in Britain originally stipulated that "the decisions of the Council shall be arrived at by the agreement between the two sides, . . . shall be reported to the Cabinet, and thereupon shall become operative." This last clause led to some early controversy over the binding effect of the National Council's decisions.[45] There is no language in the Constitution of the National Joint Council in Canada which could be construed as limiting or conflicting with the authority or responsibility of the Cabinet. Finance Minister Ilsley in making the first definite announcement about the creation of the Council very positively stated that "the Council will of course have no executive powers which would impair the responsibility of the Cabinet or Treasury Board or Civil Service Commission, or possibly infringe upon the authority of Parliament." In the preliminary comments incorporated in P.C. 3076 of May 16, 1944, which contained the tentative constitution, the Privy Council went on to say that

> . . . although there are readily recognizable differences between public employment and private employment, of which the more important arise out of the responsibility of the Government as employer, to Parliament and out of the special powers and position of the Treasury Board as the financial agency and the Civil Service Commission as the personnel agency of the Government, nevertheless it is believed that the differences are not conclusive against the adoption of a system of employee representation.

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[44] E. N. Gladden, *The Civil Service: Its Problems and Future* (London, 1945), p. 84.

[45] Herman Finer, *The British Civil Service* (London, 1937), pp. 157 ff.; Leonard D. White, "The British Civil Service," in Leonard D. White (ed.), *Civil Service Abroad* (New York, 1935), pp. 42-43.

The role of the Canadian National Joint Council is thus specifically limited to that of an advisory body.

Furthermore, the affiliations of English civil servants under Article V of the Trades Disputes and Trade Unions Act of 1927 were restricted until its repeal in 1946 to service associations which did not have affiliations with outside unions or political parties. While in force, this act effectively operated to eliminate from the process of negotiation such powerful allies of the staff side as the Labour Party and the Trades Union Congress.[46] No corresponding limitations on the right of civil servants associations to affiliate have existed in Canada and, as indicated, three of the ten members on the staff side of the National Joint Council come from civil servant associations which are affiliated with the Trades and Labor Congress of Canada. However, there has been no evidence that the Trades and Labor Congress of Canada, whose political influence cannot be compared to that of the Trades Union Congress, has taken any notice of the National Joint Council.

The Council was initiated with at least the oral blessings of the Government and with the general approval and support of the employee associations. It is true that there was a restrained acceptance tinged with some skepticism in the case of a few officials, who recalled the general ineffectiveness of previously existing representative bodies such as the original Superannuation Committee. By the spring of 1947 this attitude of skepticism was prevalent among all the leaders of the associations which had representatives on the Council.[47] It was generally agreed by that time that the Council had not achieved its original purposes and that the important decisions affecting the public service were being taken by "Order-in-Council, Treasury Board decision, or Civil Service Commission action, without any reference to the Council."[48] Three of the only four meetings held in 1946 were devoted almost exclusively to the question of consolidating the bonus. The consolidation was agreed to in principle by the staff side at the meeting on August 29, 1946, and the Government acted accordingly on the following day.

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[46] Leonard D. White, *Whitley Councils in the British Civil Service* (Chicago, 1933), p. 347.

[47] The writer has discussed this question with the officers of the larger associations, with a number of the staff- and official-side representatives on the National Joint Council, and with Dr. W. A. Mackintosh, the first chairman of the National Joint Council.

[48] *Institute Journal*, XXVI (April, 1947), 117.

The matters discussed at the meetings on November 15, 1946, included some of the same subjects which had been considered at the first meetings in 1944-1945. These were the adjustment of salaries for those earning from $2,100 to $3,000, disposition of war-duties supplements, elimination of quota restrictions, removal of reclassification prohibitions, and continued payment of annual increases to temporaries. These "were dealt with tentatively and were not finally completed by the Council."[49] There followed a period from November 15, 1946, to June 20, 1947, when the National Joint Council went without either a chairman or meetings. In consequence all of the staff- and at least some of the official-side representatives came to think of the work of the Council as "windowdressing," to use the characterization of one member.

Various reasons have been given for the limited role played by the Council and for the decline in the interest in it. It was never based on statute, and one association journal early concluded that "it would be foolish to look for the millennium on the basis of an announcement of Government policy."[50] The general atmosphere in 1946-1947 was not favorable for developments which might have been characterized by Opposition critics as "collective bargaining" in the public service. In addition, the associations lacked the strength which was essential to the operation of an effective Whitley Council system. The representatives of the staff side in some cases merely presented repeated demands to the Council without any supporting data and, on occasions, without previous preparation. Some of the staff side rarely if ever participated in the discussions, and certain ones evidenced a lack of capacity for this type of work. The rivalries between the associations were occasionally injected into the discussions of the Council and in articles which were written about it.[51]

[49] *Ibid.*, XXVI (April, 1947), 116.

[50] *Civil Servants Digest-Organizer*, XXIII (March, 1944), 8.

[51] For criticisms of the system of representation in the Council and of the

The nature of the official-side representation left doubt in the minds of the staff-side members as to how their decisions were made, whom they represented, and what weight could be attached to their agreements.[52] This situation can be attributed in part to the division of responsibility between the Civil Service Commission and the Treasury Board. The degree of importance attached to the Council by the Government seemed to be indicated by its long delay in appointing an acting chairman of the official side (and of the Council) after the resignation of Dr. Mackintosh in August, 1946,[53] and the lack of called meetings after November 15, 1946, despite requests from the staff side for action. In addition, some of the official-side representatives, after the resignation of the Council's first chairman, appeared to place very little weight on its work. Although there had been some agitation for the creation of departmental councils,[54] no steps had been officially taken to establish them by the end of 1947. These necessary supports for a successful National Council under the Whitley Council system were consequently lacking until the first departmental Council was set up during 1948 in the Department of Mines and Resources.

In May, 1947, R. B. Bryce, Director of the Economic Division of the Department of Finance, was finally appointed "Acting Chairman of the Council." An agenda was prepared at the first meeting in the following month, which included

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secrecy of some of its proceedings, see *Civil Servants Digest-Oganizer*, XXVI (Jan., 1947), 3, 9.

[52] The Chairman of the staff side makes a "submission" to the Chairman of the Council requesting that the designated matters be included in the agenda for the next meeting. The eight members of the official side then meet occasionally as a body in advance of the Council meetings to discuss these matters, which the staff side has previously presented for discussion. Sharp differences of opinion among official-side members are ironed out here as a rule, though they are reflected at times in the Council deliberations.

[53] The reason given for this delay was the desirability of waiting for the appointment of the Director-General of the Establishments and Personnel Division, proposed by the Gordon Commission, who was to act as the permanent chairman. This reason should not have prevented the appointment of an acting chairman during the long interim.

[54] The Civil Service Association of Ottawa appointed a committee to work on the establishment of departmental councils. See "Establishment of Departmental Councils Advocated," *Civil Service News*, XXIV (Oct., 1946), 233 ff. Note also *ibid.*, XXV (Jan., 1947), 13.

for future discussion salary adjustments (for those in the $2,100-$3,000 salary classes), war-duties supplements, statutory increases for temporaries, overtime regulations, promotions, the five-day week, semimonthly pay, superannuation benefits, efficiency ratings, in-service training, health plans, and other matters. Two meetings were held in July, and monthly meetings were agreed upon thereafter until all of the items on the agenda had been covered.[55] Treasury Board action followed from certain of the first Council recommendations. The National Joint Council was thus suddenly awakened from its long winter of rest.

It would be premature to attempt a final evaluation of the work and the role of the National Joint Council. During its early operations under the chairmanship of Dr. Mackintosh, the Council dealt with statutory increases, war-duties supplements, and postal-service pay in an effective fashion. There remains considerable interest in employee circles which can be revived.[56] The joint agreement among the three postal associations may help pave the way for the establishment of a departmental council in the Post Office Department, where it is much needed. The new developments since the summer of 1947 have served as a much-needed injection, and there is a renewed hope for the Council in the future. Pending additional invigoration, however, the National Joint Council might be classed as a wartime experiment which has not during the postwar years completely met the expectations of those who hoped for a replica of the Whitley Council system.

OTHER REPRESENTATIVE AGENCIES

Besides the National Joint Council there are other types of agencies on which the associations are represented. The most important of these are the appeal boards. After failure by the Government to act on recommendations made by Parliamentary committees in 1932, 1934, and 1938, the Civil Service Commission finally established the appeal boards in 1939 on its own authority. The Commission reserved the right to reverse any decisions, but there was only one such instance in the first six years of their operation.

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[55] For a summary of the activities of the National Joint Council at its nine regular meetings and one special meeting in 1947, see *Institute Journal*, XXVII (April, 1948), 98 ff. Later discussions are listed in *Canadian Civil Servant*, XXVII (Oct., 1948), 6-7; *Civil Service Review*, XXI (March, 1948), 12 ff.

[56] "While the Council has not been as active as had been hoped, yet in the opinion of the Federation it has served a very useful purpose in bringing together the views and opinions of the staff and official sides on a number of important matters affecting the public service. We desire, therefore, to recommend that every possible use be made of the National Joint Council, not only by the staff side organizations, but by the Government as well" (Civil Service Federation of Canada, *Memorial for Submission to . . . the Cabinet* [mimeographed, Aug., 1947]). Cf. the optimistic appraisal by W. N. Keenan in the *Canadian Civil Servant*, XXVIII (March, 1949), 3-4.

The appeal boards as originally created were designed to permit appeals in cases of promotions to persons who felt that they had been improperly passed over.[57] They were composed of one departmental representative, one representative of the association designated by the appellant to represent him, and a representative from the Civil Service Commission who acted as chairman. The representative from the department was selected anew for each case. Officers of those organizations served usually as the representatives of the associations.

The appeal boards function for both the outside and inside service. A hundred and fifty to two hundred appeals were heard annually during the years 1944-1947. In approximately 90 per cent of the cases the appeals were rejected unanimously; in approximately 5 per cent the appeals were confirmed unanimously; and in approximately 5 per cent the members of the board were divided. From these results it appears that the members from the associations have not sought to act for their constituents in a blindly partisan way.

In November, 1946, a delegation from the Civil Service Federation and certain of the civil servant associations requested an extension of the appeal-board procedure to cover cases of reclassifications, demotions, and dismissals. The Civil Service Commission agreed to increase the jurisdiction of the boards to cover the last two matters but reserved judgment on the question of reclassification.[58]

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[57] It has also been possible to create appeal boards to pass on appeals from departmental "preliminary boards." These boards, composed of two representatives of the department and one of the employees, hear protests against departmental efficiency ratings. The Commission has arranged for only one appeal board to deal with this type of question.

[58] *Civil Service Review,* XIX (Dec., 1946), 291-292; *Civil Service News,* XXV (Feb., 1947), 14.

There have been some criticisms of the appeal boards, especially on the ground that they result in promotional delays and that they do not offer the appellant an opportunity to present his case personally. It has also been charged, with justification, that the departmental representatives on these *ad hoc* bodies have been occasionally instructed in advance of the meetings and contrary to the spirit of the system. There has been dissatisfaction, of course, with some of the decisions.[59]

Despite these minor objections, there has been almost universal agreement among public employees, the officials of the associations and of the Civil Service Commission, and supervising officers in the departments that the appeal boards have served a useful purpose. The extension of their jurisdiction under the circumstances outlined is one evidence. Departmental rating officers and boards have been more careful in their promotional competition ratings since the establishment of the boards. It is agreed that the possibility of appeal has discouraged flagrant cases of "rigged" promotions. The appeals have resulted in adjustments in a few deserving cases. Though the role of the boards is a restricted and purely negative one, they have reduced the dissatisfaction among public employees who have felt themselves completely without recourse in the past against departmental favoritism and arbitrariness.

Certain of the associations have also been represented on the Superannuation Committee, which dates back to 1928 but which was revived during the war years. This committee, composed of five representatives of the Government and of five representatives of the associations, acts in an advisory capacity to the Treasury Board on superannuation matters.[60] The associations have also been represented on special committees which have been occasionally set up to investigate conditions in the public service, such as the health of employees.

[59] A highly publicized instance in 1948 involved the appointment of W. J. F. Pratt to an executive position in the Indian Affairs Branch of the Department of Mines and Resources. See Ottawa *Journal*, Feb. 16, 1948, p. 1; Feb. 17, 1948, p. 1.; Feb. 19, 1948, p. 7.

[60] This committee is different from the appeal board established prior to the passage of the Civil Service Superannuation Act of 1924 to hear appeals in superannuation cases.

None of these representative bodies, including the National Joint Council, it is to be noted, have any statutory basis or any powers which are other than advisory in character. No member of an association has as yet been appointed to serve on a Royal Commission investigating the public service, and none was included on the Coon Committee in 1943. If during the past eight years there have developed new agencies which have provided for representation of the associations, these agencies have been granted no powers which go beyond that of making requests or recommendations.

CONCLUSION

The role of the associations in the determination of public employment policies is less easy to assess than their part in the actual administration of these policies. Their position has been affected by a number of factors. On the one hand the associations have grown in numbers, are better organized, and are more vocal than in 1939. They are employing new propaganda techniques to reach the public and Parliament, and some of the present leaders who are emerging are not content to confine themselves to formal and periodic discussions with the appropriate government officials. Affiliations with organized labor have been extended slightly. At the same time the general conditions of the labor market have been favorable to the demands of certain types of governmental employees. Also the narrowness of the government majority in the House of Commons after the election of 1945 made it at least aware of the importance of the public employee vote in a few constituencies. For these various reasons, the bargaining position of the associations was stronger in 1947 than in 1939. Nevertheless, the associations still play a small part in the determination of the policies which govern the economic and political status of public employees.

· VII ·

Employees of Crown Corporations and Companies

THE EMPLOYEES of the shifting number of crown corporations and companies[1] constitute another special category of personnel. As the subsequent discussions will indicate, all have been a product of the period since the end of the first World War, with only a few major exceptions, and a large majority came into being during the period after 1939.[2] In terms of the growth of new types of public employment and of numbers of employees involved in recent years, the crown corporations are particularly important.

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[1] "In a loose sense the terms 'corporation', 'company', 'joint-stock company', 'incorporated company' and 'limited company' are often used interchangeably. Each term, however, has its own shade of meaning which is nevertheless important." Not all companies are corporations, and not all corporations are companies (F. W. Wegenast, *The Law of Canadian Companies* [Toronto, 1931], pp. 1-2). However, there has been no clear-cut legal differentiation between a "crown company" and a "crown corporation." In P.C. 10,802 of Dec. 1, 1942, permitting collective bargaining in these enterprises, for example, a "crown company" was defined as "any corporation [*sic*], engaged in the manufacture of war materials, having a share capital the majority of shares of which are held by or on behalf of his Majesty. . . ." The terms "crown corporation" and "crown company" are used interchangeably in this chapter.

[2] The list of crown corporations and companies in actual existence at the end of December, 1946, would include: The Aero Timber Products, Ltd., Bank of Canada, Canadian Arsenals, Ltd., Canadian Broadcasting Corporation, Canadian Commercial Corporation, Canadian National Railways, Canadian Wool Board, Ltd., Central Mortgage and Housing Corporation, Commodity Prices Stabilization Corporation, Eldorado Mining and Refining (1944), Ltd., Export Credits Insurance Corporation, Melbourne Merchandising Co., Ltd., Northern Transportation Co., Ltd., Park Steamship Co., Ltd., Polymer Corporation, Ltd., The Sugar Administrator (Canadian Sugar Stabilization Corp., Ltd.), Trans-Canada Air Lines, War Supplies, Ltd., Wartime Food Corporation, Ltd., Wartime Housing, Ltd., Wartime Shipbuilding, Ltd. In addition to these crown corporations and companies, there were a number of other agencies, chiefly boards and commissions, possessing corporate powers. Cf. Commons, *Sessional Paper* No. 136 of March 15, 1946, and the compilation by the Canadian Chamber of Commerce, "Dominion Crown Companies," *National Affairs Release No. 16*, June 16, 1947. For a discussion of one of these, the National Research Council, see above, pp. 46 ff.

There is no single formula which covers all the relationships between these crown corporations and companies and the Government, on the one hand, and between them and their employees, on the other. Some of these crown corporations and companies have been incorporated by special parliamentary act and others by the general procedure provided under the Dominion Companies Act, 1934. Certain of these agencies, as in the case of the wartime crown companies, were directly controlled by ministers. Others, as in the case of the Canadian National Railways and the Bank of Canada, possess a greater degree of independence from the Government; final control over them rests in the power of Parliament to repeal or amend the legislation on which they are based. The relative degree of freedom possessed by these bodies may, however, depend much more on the extralegal than upon the legal factors involved in the relationships between their boards and the minister or Government.[3] As the following pages will indicate, there are few generalizations which will cover the status of all of these corporations and companies at all times.

LEGAL STATUS

Each crown corporation or company has some individual legal characteristics which have a bearing on the status of its employees. The decision as to which corporations and companies are to be considered as "agents of His Majesty" depends upon a number of factors. It is recognized, for example, that the mere creation of a corporation for public purposes does not necessarily make it an agent of His Majesty.[4] Certain purposes such as the administration of justice and the provision of police protection have traditionally been recognized as governmental purposes and, unless there are statutory provisions to the contrary, these purposes will place the corporation in the "service of the Crown."[5] Where a corporation has been established to take over the work of a private company, there is a presumption that the corporation is not an agent of His Majesty, even though there is considerable direct public administrative control over and financial assistance to the corporation. If, on the other hand, the corporation has been created to assume certain functions formerly performed by a minister of the crown or a department of government, the presumption is that it was intended to be an agency of the Crown, even in cases where considerable discretion has been allowed the corporation. In general the courts have placed a heavy emphasis upon the matter of *control* in making their determinations in the past.

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[3] See Dawson, *The Government of Canada*, pp. 289-293. Note Auditor-General, *General Office Guide*, pp. 115-117, on distinctions drawn for auditing purposes. The accounts of the Bank of Canada, Canadian Commercial Corporation, Canadian National Railways, Central Mortgage and Housing Corporation, and Trans-Canada Air Lines are not audited by the Auditor-General. On the remainder, see *Auditor General's Report, 1945-1946*, pp. 35-49.

[4] *Queen* v. *Temple* (1852) 118 E.R. 729; *Mersey Docks* v. *Gibbs* (1864) L.R. 1 E. and I. 93; *Scott* v. *Governors of University of Toronto* (1913) 10 D.L.R. 154; *Semple* v. *Canadian National Railway Co.* (1923) 55 O.L.R. 189; *Michaud* v. *Canadian National Railway Co.* (1924) 3 D.L.R. 1; *In re Taxation of University of Manitoba Lands* (1940) 1 W.W.R. 145.

There is more than a little uncertainty in applying the general rules mentioned above.[6] The meanderings of some of the Canadian courts may be illustrated by reference to the cases of *Oatway* v. *Canadian Wheat Board*[7] and *Gooderham and Worts Ltd.* v. *Canadian Broadcasting Corporation.*[8] Where the corporation has been created by statute, the final answer of the court will be based upon the nature of the action and a determination of the Parliamentary intention,[9] plus the special circumstances of each case.[10]

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[5] *Mersey Docks* v. *Cameron* (1865) 11 H.L.C. 443; *Halifax* v. *Halifax Harbour Commissioners* (1935) S.C.R. 215; *Recorder's Court* v. *Canadian Broadcasting Corporation* (1941) 2 D.L.R. 551.

[6] See *North and Wartime Housing Ltd.* v. *Madden et al.* (1944) 4 D.L.R. 161; cf. *McClay* v. *Wartime Housing Ltd.* (1944) 3 D.L.R. 729.

[7] (1944) 3 W.W.R. 337.

[8] (1939) 4 D.L.R. 241; (1940) O.R. 130. The following advice from the Auditor-General regarding the crown corporation might be noted: "Audit officers might prudently avoid using the term 'emanation of the Crown' when referring to such a body. . . . It is unsuited for a statutory body" (*General Office Guide*, pp. 116-117).

[9] Parliamentary intention is not always easy to grasp from statutory provisions. In connection with a query raised in discussion in 1947 as to whether the House of Commons ought "to set up something halfway between a crown corporation and an independent corporation," the following exchange occurred:

Mr. Graydon: "It was done in the Canadian Broadcasting Corporation."
Mr. Ilsley (Minister of Justice): "I do not know whether the Canadian Broadcasting Corporation is an agency of the crown or not."
Mr. Graydon: "Nobody else knows."
The Acting Chairman: "Order."

(Commons, *Debates*, Feb. 26, 1947, p. 856).

[10] On the general confusion regarding the liability of Canadian public corporations, see F. R. Scott, "Administrative Law: 1923-1947," *Canadian Bar*

WARTIME LABOR CONTROLS

Excepting certain classes of employees,[11] the employees of the crown corporations and companies were governed during the war period by the same regulations which applied to wage-earning and salaried employees in corporations of a nonpublic character. Briefly stated, these regulations were embodied in a few statutes and a complex system of orders in council based largely on the War Measures Act. These regulations placed in the hands of federal authorities jurisdiction over many labor matters which normally fell under provincial control. Most of these orders in council were administered by the Department of Labour or by agencies which were attached to it.

The two key features of the wartime system of labor administration were the systems for controlling wages and salaries and for regulating employer-employee relationships. The wage policy was started on December 16, 1940, when P.C. 7440 called the attention of the *ad hoc* Boards of Conciliation to the advisability of maintaining wage rates based, with certain exceptions, on a 1926-1929 standard. It also recommended that, where found desirable, added compensation should be paid in the form of cost-of-living bonuses based on the changes in the cost-of-living index after August, 1939.[12] By the summer of 1941, it had become evident that dangerous inflation could be avoided only by a policy of economic stabilization based upon both effective price and wage controls.

After November 15, 1941, provision was made whereby bonuses were to be adjustable to the increases (or decreases) in the cost-of-living index for the covered groups of employees, which excluded most of the federal, municipal, and provincial employees along with other categories from its operation.[13] Otherwise, no employer could increase the basic scale of wage rates, except with the proper permission and where the em-

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Review, XXVI (Jan., 1948), pp. 281-285; D. Park Jamieson, K.C., "Proceedings By and Against the Crown in Canada," *ibid.*, XXVI (Feb., 1948), pp. 382-383.

[11] Including certain civil servants on loan from other government agencies.

[12] A good summary of the federal wage control developments after 1940 can be found in *Economic Controls* (Reference Book for Dominion-Provincial Conference on Reconstruction), pp. 29 ff.

[13] P.C. 8253 of Oct. 24, 1941. See subsequent Wartime Wages Control Orders, P.C. 5963 of July 10, 1942, and P.C. 9384 of Dec. 9, 1943, as amended.

ployer's "basic scale of wage rates is low as compared with the rates generally prevailing for the same or substantially similar occupations in the locality" or in a comparable locality. A distinction was drawn between wage-earning and salaried employees.[14] Adjustments in individual rates or "the rates within a range" could be made in cases of "gross inequality and gross injustice" after December, 1943, by the previously established Regional War Labour Boards. Earlier in the year decisions of these Regional Boards were made subject to appeal to the National War Labour Board. On February 15, 1944, the cost-of-living bonuses added since 1941 were incorporated in the basic wage and salary rates and were discontinued.[15]

Although some new adjustments were made from time to time, it was not until January 31, 1946,[16] that the jurisdiction of the National War Labour Board was officially broadened to permit an increase in wages or salaries, if "the rates were found to be low in comparison with those generally prevailing in the locality," or if the Board considered increases "reasonable in the circumstances and consistent with the maintenance of existing prices of the goods and services which the employer sells." Later relaxations occurred in the summer of 1946, and eventually the system of federal controls, which had rather effectively correlated the wage and salary structure with the cost-of-living index, was abolished in November, 1946.[17]

In addition to these wage and salary controls, wartime regulations were incorporated in P.C. 1003 of February 17, 1944, to provide for a system of collective bargaining, arbitration, and compulsory investigation of disputes. This order replaced the Industrial Disputes Investigation Act of 1907[18] and a number of other previously issued wartime orders based in part on it. Under P.C. 1003 "employers" was specifically defined to include the National Harbours Board and "any other body incorporated to act as an agent of His Majesty in right of Canada except any such body whose employees" were entitled to the cost-of-living bonus applicable to the "public service" in August, 1941.[19] In its coverage, the regulations were to apply to the employees in shipping and transportation enterprises and to those in a long list of activities "essential to the efficient prosecution of the war."[20] Again, a system of boards, beginning with the provincial Labour Relations boards and ending with the National Wartime Labour Relations Board, whose members were appointed by the Governor in Council, was created to administer the regulations. As one authority described this epoch-making order in council, it "commands the parties to bargain collectively, assists them to reach an agreement, names and enjoins against both employer and workers certain practices opposed to wholesome bargaining relations, and sets up a special Board judicial in character to administer and enforce the Order."[21]

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[14] Wartime Salaries Order P.C. 9298 of Nov. 27, 1941, as amended by P.C. 946 of Feb. 6, 1942, and subsequently.

[15] By P.C. 9384 of Dec. 9, 1943.

[16] P.C. 348 and 349 of Jan. 31, 1946.

[17] Montreal *Daily Star*, Nov. 30, 1946, p. 1.

[18] *R.S.C.*, 1927, c. 112.

P.C. 1003 was originally based on the War Measures Act and was continued in effect by the transitional legislation of 1946-1947, being applied after March 15, 1947, only to industries normally under Dominion jurisdiction. The future authority to deal with these labor matters was left in a state of uncertainty, however, in view of Dominion-provincial jurisdictional questions and pending Dominion-provincial agreements on which a "federal labour code" could be based. The essentials of this code were embodied in the Industrial Relations and Disputes Investigation Bill[22] of 1947, which was designed to govern employer-employee relations in federal enterprises including railway and air transport, radio broadcasting, and "crown corporations unless excluded by the governor in council."

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[19] See P.C. 6702 of Aug. 26, 1941. The Bank of Canada, the C.B.C., the Canadian National Railways, the Trans-Canada Air Lines, the Commodity Prices Stabilization Corporation, etc., together with "any corporation, whether or not owned by the Government of Canada, which is engaged upon the manufacture, production and handling of war supplies or the supervision of any other persons engaged in such activity" had been specifically excluded from the application of P.C. 6702.

[20] Sec. 3, especially par. 2 and Schedule A.

[21] H. A. Logan, "The State and Collective Bargaining," *Canadian Journal of Economics and Political Science*, X (Nov., 1944), p. 476.

[22] Note the introductory explanation of Labour Minister Mitchell, Commons, *Debates*, June 17, 1947, pp. 4306 ff. Under this bill (No. 338) the provinces would have been empowered to enact concurrent legislation providing for the administration by the federal authorities of designated matters which had been returned to provincial control. A Canada Labour Relations Board was to replace the Wartime Labour Relations Board. This bill, which was withdrawn by the Government after its second reading late in the legislative session, provided that

During the war period there was thus built up a system of federal labor controls which were necessarily based upon the wartime emergency powers and which were marked particularly by the provisions regulating wages and salaries and employer-employee relationships. The coverage of some of these regulations led to controversies which involved the employees of certain of the crown corporations and companies. The lack of strong employee organizations in some of the controversial cases, however, prevented the most difficult questions of the certification of bargaining representatives from being effectively raised. For most of the employees of crown corporations and companies there was consequently a set of employment relationships which were subject to control and regulation by those agencies dealing with employees in private industry rather than by those concerned with the employees of the "public service." Despite their many other diversities, it is this common characteristic of the employees of the many crown corporations and companies which justifies treatment of them in one chapter.

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trade unions were to be bargaining agents, as distinguished from the groups of individuals authorized so to act under P.C. 1003. Both labor unions and employer organizations would be legally liable for certain of their acts. Employer organizations were enjoined to bargain collectively with certified unions. With some changes as to the definition of "employee" and in other respects, the provisions governing the certification of bargaining agencies and the operation of conciliation machinery were generally similar to those under the wartime orders. Sec. 54 of the act provided for its application to crown companies, but gave the Governor in Council the power to "except any such corporation and the employees thereof." In short, the proposed act was designed to "create conditions favorable to the free exercise of the collective bargaining function" (to borrow the words of Labour Minister Mitchell) under Dominion auspices. Cf. "Industrial Relations Bill Introduced by Government," *Labour Gazette*, XLVII (July, 1947), 923-940. A summary of the major differences between this bill and P.C. 1003 is found in *ibid.*, p. 927. For an incisive analysis and criticism of the bill from the point of view of the Canadian Congress of Labour, see its *Memorandum on Bill 338*, submitted to the House of Commons Committee on Industrail Relations, June 30, 1947. In 1948 Bill No. 195 "To provide for the investigation, conciliation and settlement of industrial disputes" which contained with some changes the identical provisions of Bill No. 338 in 1947, was enacted into law (Commons, *Debates*, April 6, 1948, pp. 2709 ff.; April 8, 1948, pp. 2758 ff.; June 17, 1948, p. 5391.)

CANADIAN NATIONAL RAILWAY AND TRANS-CANADA AIR LINES EMPLOYEES

The Canadian National Railways (C.N.R.) is the collective name for the several properties and subsidiary corporations which have been brought together in a single unified system for purposes of co-ordination and common management.[23] Most of these acquisitions represented bankrupt railway companies added during the period from 1918 to 1923 to the original Canadian Government Railways.[24] The stock of the managing and owning corporation, the Canadian National Railway Company, is owned by the Canadian Government, and the company is controlled by a board of directors appointed by the Governor in Council. In view of its inherited and acquired indebtedness, the C.N.R. has never had a sound fiscal structure; and for the period of 1928-1942 it incurred annual deficits, which averaged $50,000,000 between 1930 and 1939. The period from 1942 to 1946, on the other hand, was one in which it received its highest net revenue, a factor of importance in a consideration of its personnel problems.

Over one half of the railway mileage in Canada is included in the C.N.R. system, and along with the Canadian Pacific Railway Company the mileage represents around 93 per cent of the total. A six-man Board of Transport Commissioners has jurisdiction over railway rates, engineering, and service;[25] but during the war a Transport Controller exercised final control over the movement of goods and the carriage of civilian and military personnel.

The railroads were hard pressed after 1939 by the sharp rise in traffic, a rise which resulted in serious shortages of both equipment and personnel. The number of employees of the C.N.R. increased from 78,129 on December 31, 1939, to 105,624 in December, 1945, and dropped slightly to 105,353 in 1946.[26] Each year after 1939 saw a growth over the preceding one. The sharpest increase of 8.09 per cent, occurred between December, 1940, and December, 1941.[27] In order to secure this added personnel and replacements for those in the armed services, considerable numbers of women employees were recruited and retired employees were requested to return to service. Unskilled workers under the direction of trained men frequently took over the functions of skilled employees.

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[23] See the Canadian National Railways Act, *Statutes of Canada*, 1919, c. 13, as amended.

[24] Lesslie R. Thomson, *The Canadian Railway Problem* (Toronto, 1938), pp. 100-140; Leslie T. Fournier, *Railway Nationalization in Canada* (Toronto, 1935), chaps. 5-7.

[25] A. W. Currie, "The Board of Transport Commissioners as an Administrative Body," *Canadian Journal of Economics and Political Science*, XI (Aug., 1945), 342 ff.

The employment structure was not materially altered after 1939.[28] The employees, consisting of skilled, semiskilled, and unskilled persons, were divided into about twenty main organizations,[29] chiefly but not exclusively organized along craft lines. These included four international and unaffiliated organizations, the Railway Transportation Brotherhoods, which were (together with two other unions) united loosely by a Dominion Joint Legislative Committee; and six specific railway organizations (such as the Order of Railroad Telegraphers), which were affiliated with the Trades and Labor Congress of Canada and the American Federation of Labor. In addition there were eight shopmen's organizations (such as the International Association of Machinists) which, though not exclusively railway labor unions, contained many members in the employ of railroads. All except one of these were affiliated with the American Federation of Labor. The above-mentioned eighteen organizations co-operated through the General Conference Committee of Standard Railway Labour Organizations. The only other bona fide railway unions were the Canadian Brotherhood of Railway Employees and Other Transport Workers and the Brotherhood of Express Employees, which were purely

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[26] *Annual Report,* 1946, p. 6.

[27] This figure compares with 109,096 in the peak year of 1929 and 70,625 at the low point of the depression.

[28] See G. Meredith Rountree, *The Railway Worker* (Toronto, 1936), chap. 2, especially pp. 27-28. Cf. H. A. Logan, *Trade Unions in Canada* (Toronto, 1948), pp. 135 ff. The writer is indebted to officials of the C.N.R., particularly the late F. W. Edge, Director of Labour Relations of the C.N.R., and to officials of several of the standard railway organizations, for data.

[29] In 1947 the C.N.R. was dealing with thirty-six separate employee organizations including four committees (Committee of Employees at St. John Wharf, etc.). These employees included those in all properties operated by the C.N.R.

Canadian unions affiliated with the Canadian Congress of Labour.

The centralization of control in two main railway companies, on the one hand, and the extensive unionization of the employees on the other, have furnished a good formal setting for collective bargaining. Including those covering the employees of joint companies, hotels, ferries, etc., operated by the C.N.R., there were approximately 180 agreements in effect in August, 1947.[30] Most of these were of long standing and had been simply modified from time to time.[31] Over 85 per cent of all C.N.R. employees in 1947 were covered by the various collective agreements, many of which were usually identical in terms, if indeed they were not common agreements, with those of the Canadian Pacific Railway Company.

Reliance for the settlement of disputes involving the shop crafts is placed ultimately upon agreements between Division 4 of the A.F. of L. and the Railway Associations. For the settlement of disputes arising from the agreements with employees in train and engine service, telegraphers, and maintenance-of-way men, Board of Adjustment No. 1 was created in 1918. It has been composed of equal numbers of representatives of the railway companies and of the brotherhoods.[32] For clerical and certain other employees a separate adjustment board, Board of Adjustment No. 2, was established in 1925 and has functioned along the same lines. Plans are under way for the creation of still other boards. In contrast to the prac-

[30] New agreements are modeled on *The Schedule of Rules Governing Working Conditions for Clerks*, etc.

[31] Post-hostilities legislation in several of the provinces, based on their jurisdiction over civil and property rights, has been inconsistent in a number of cases with the terms of these agreements. Litigation has followed. To remedy the chaotic situation threatened, the Government secured an amendment to the Canadian National-Canadian Pacific Act (of 1933) in 1947, to prevent this interference. See Commons, *Debates*, June 16, 1947, pp. 4265 ff., for the explanation by the Minister of Transport. On the jurisdictional question, consult R. A. C. Henry, et al., *Railway Freight Rates in Canada* (Ottawa, 1939), pp. 56 ff.

[32] Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, Order of Railway Conductors, Order of Railway Telegraphers, Brotherhood of Railway Trainmen, and the Brotherhood of Maintenance of Way Employees and Railway Shop Labourers. See *Labour Gazette*, XLI (March, 1941), 236-238.

tice followed in the United States, these adjustment boards rest on agreement and not on law.

The wages and conditions of service of employees of the Canadian railroads in Canada and those of the railways in the United States have been substantially alike, though the average annual wage on the Canadian side has been lower than that on the other side of the border.[33] By the spring of 1946 the disparity had become much greater, largely because of the wage controls in Canada during the war and the consequent failure to secure an equivalent of the three increases which were permitted in the United States between 1941 and 1946.[34] The result was continued pressure for adjustments which led to changes in 1944 and 1946. In the first year there was granted a general 6-cent increase and in the latter year a 10-cent increase which, together with the cost-of-living bonuses (consolidated with wage rates in March, 1944), resulted in general wage levels approximately 26 cents per hour, or an average of $53.21 per month, higher than at the outbreak of war. The average annual wage increased in consequence from $1,560 in 1939 to $2,250 in 1946. The basic rates for women, which were the same as for men, have been increased in the same degree, but there was a slight differential in cost-of-living bonuses in favor of male employees. This differential was retained when the bonuses were incorporated in wages in 1944. Despite these increases, employees earning over $2,000 annually in 1947 received less real income than in 1939, whereas the real income of the lower-paid unskilled workers had increased from 1939 to 1947. The result has been a leveling process in Canada of considerable future significance.[35]

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[33] William J. Wilgus, *The Railway Interrelations of the United States and Canada* (New Haven, 1937), p. 190.

[34] The "average salaries and wages" of all employees of Canadian steam railways rose from $1,531 in 1938 to $1,908 in 1943. These figures include overtime payments (*Canada Year Book*, 1945, p. 656). Before the Canadian wage increases in 1946, the president of the C.N.R. estimated that there was an approximate 20 per cent differential between Canada and the United States in wage rates for certain classes of employees. The differential is smaller in the case of the "running trades" (Commons, Sessional Committee on Railways and Shipping, *Proceedings*, May 13, 1946, p. 49).

[35] John L. McDougall, "The Distribution of Income among Wage Earners in Railway Employment, 1939-1947," *Canadian Journal of Economics and Political Science*, XIII (May, 1947), 253-255. For a comparison of the index

The Canadian employees have pressed for a removal of the differential in the two countries. In their submission in 1943 before the National War Labour Board,[36] they stressed that the railroad systems in Canada and the United States were part of a "common whole," that a large percentage of traffic carried on Canadian railways originated in the United States, that working conditions were essentially the same in the two countries, and that there was a "similarity of changes in cost of living in Canada and the United States." The railway companies continued to emphasize the dissimilarity in economic conditions and in the density of traffic in the two countries. They also insisted that the railway rates had not been increased in Canada as in the United States and that cost-of-living had actually risen more in the United States than in Canada, if a meaningful period (a long period) of comparison were taken.[37] Presumably these positions of the employees and of the companies have not been altered by recent wage and rate developments in the two countries.[38]

During the war period the Unemployment Insurance Act, which went into effect on July 1, 1941, covered at that time about 60,000 of the C.N.R. employees. Additional holiday rights were extended to categories of personnel not previously covered, notably the maintenance-of-way and hourly rated employees. However, the question of holidays for the hourly rated employees, whose vacation period was limited to one week with pay up to August, 1947, as compared to two weeks for monthly rated employees, caused bitter complaint from certain of the unions.[39]

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numbers of wage rates for "transportation and communication" (including "steam railways") and for the major industries from 1939-1947, see Department of Labour, *Wage Rates and Hours of Labour in Canada*, 1947 (Ottawa, 1948), pp. 6-7.

[36] The Railroad Employees' Case (Case File No. N-1300) before the War Labour Board, especially *Brief in Support of the Application of Sept. 15, 1943*, and *Employees Exhibit No. 10*.

[37] See especially *Reply Submitted on Behalf of the Canadian National Railways, etc.* (Case File No. N-1300).

[38] The Employees in Canada were given in 1948 a general increase of 17 cents per hour and the companies received an increase of 21 per cent in freight rates. See R. C. Vaughan in Montreal *Gazette*, *Annual Commercial and Financial Review*, Jan. 6, 1949, p. 32.

[39] In Oct., 1947, the Negotiating Committee of the employee unions an-

The present pension plan, which dates from 1935 for those entering service after that date, has been a contributory one under which the company has guaranteed a minimum service pension of $300 and in addition has matched contributions up to 5 per cent of the employee's salary.[40] Retirement has been optional at the age of 60, after 35 years' service, and has been compulsory at the age of 65, but this compulsory age requirement was modified during the war. In 1943 the practice of charging pension payments currently to operating expenses was altered, and the accounting under the 1935 contractual pension plan was put on a fund reserve basis.[41] Otherwise there have been few changes during the period from 1939 to 1947.

Railway employees in "essential services" were granted exemption from military service during the war, but no obstacles were placed in the way of those who wished to volunteer. About 22,000 employees, representing some 20 per cent of the C.N.R. personnel at its wartime peak, went into the armed services. The seniority rights of these men were guaranteed during their absence. Reinstatement was governed by the Reinstatement in Civil Employment Act, 1942, and most questions were handled without controversy. However, there were some difficult problems.[42] The chief one resulted from the demand of veterans' groups for "superseniority," that is, for priority over any civilian employed after the veteran had gone into the military service. This claim was strongly and successfully opposed by the unions.

The railway unions did make some concessions in order to

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nounced that the "125,000 members had authorized strike action in support of the workers' demands" for a 14-day annual holiday with pay (Montreal *Gazette*, Oct. 15, 1947, p. 1; for the settlement, see *Labour Gazette*, XLVII [Nov., 1947], 1861-1862).

[40] Canadian National Railways, *Pension Fund Effective January 1, 1935*, pp. 1-4. The average pension under this plan was $503 for employees retiring at the age of 65 in 1945. Some C.N.R. employees are still covered under pension plans in effect before 1935.

[41] *Annual Report*, 1943, pp. 9-10. The system is not, however, actuarially sound.

[42] An extreme case was that of a telegrapher who became a high ranking officer and lost both hands during the war. He was given a passenger station agent's position on his return.

permit special leaves for long periods of rehabilitation ranging beyond the regular six-month period permitted veterans before their return to work. Greater difficulty was encountered in obtaining the union's recognition of leaves to returned veterans, without loss of seniority rights, to enable them to receive the schooling guaranteed under federal legislation. Temporary employees in the federated shop crafts, who were selected during the war, were placed on a "segregated seniority list," with the approval of the unions, and the best of these employees have subsequently been placed on the regular seniority lists where openings have occurred.

There has been a continued lack of interest in university training for administrative positions in the C.N.R., that is, except for those posts requiring engineering, architectural, medical, and scientific training. At least 95 per cent of the higher officials of the C.N.R. have "come up through the ranks," a fact which is explained in part by the rigid seniority rules in the service.

Two minor developments designed to provide a partial antidote for this tendency have been under consideration.[43] The one is the selection of university students during their second and third years for summer work. The qualified ones are then guaranteed positions after graduation. It is hoped in a few official quarters that some of these recruits might constitute the kernel for an administrative and supervisory group.[44] The motivation back of this development may be compared with that which led to the junior administrative class in the federal classified service. This development will not find a friendly reception among most C.N.R. employees and officials, who accept technically trained university graduates but tend to look with strong suspicion on most others. The second is a proposal for a staff college where special types of in-service training would be offered to promising young employees. This plan has not passed the blueprint stage.

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[43] Information from S. W. Fairweather, Director of Research and Development of the C.N.R.

[44] President Vaughan of the C.N.R. pointed out in 1945 the need for securing more university-trained men for executive posts, but indicated the difficulty in recruitment due to the system of seniority (Commons, Sessional Committee on Railways and Shipping, *Proceedings*, Oct. 24, 1945, p. 101; cf. remarks by President Vaughan in *ibid.*, April 30, 1947, p. 107).

These two developments may be viewed in the light of the growing average ages of the railway personnel. Studies show that, within a few years, and in the absence of corrective measures,[45] the average C.N.R. employee will be over fifty years of age and the average supervisor will be over sixty.

As in the case of the railways, Canada has two major Canadian air lines, the Canadian Pacific Air Lines, which is owned by the Canadian Pacific Railway Company, and the Trans-Canada Air Lines (T.C.A.), which is controlled by the C.N.R.[46] The first of these received its charter from Parliament in 1919 and gradually expanded until 1942, when its present organization was completed. The Trans-Canada Air Lines was incorporated by Act of Parliament in 1937.[47] Its legal liability, despite its public ownership and operation, is generally similar to that of the private air lines.[48] In most respects the Canadian Air Transport Board, which corresponds roughly to the Civil Aeronautics Board in the United States, controls the air services, whereas the Air Services Branch of the Department of Transport regulates the aircraft, crews, and airways, together with the employees involved in the upkeep of these facilities.

The T.C.A. has grown rapidly, as illustrated by the increase of its personnel from 499 in December, 1939, to 2,343 in December, 1943, to 4,241 in November, 1946.[49] During the war period the percentage of women employees increased until it was 35 per cent of the total in 1943, but the number had declined to 23 per cent by December, 1945. It has been the policy of the T.C.A. to replace women by men since 1945, except in a few types of positions.[50]

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[45] There was some reduction in average ages as a result of the influx of new personnel during the war.

[46] P.C. 2009 of May 23, 1947, as tabled in the House of Commons, dealt with advances to enable the C.N.R. to acquire the remaining outstanding stock (Commons, *Debates,* June 18, 1947, p. 4356).

[47] *Statutes of Canada,* 1937, c. 43.

[48] Sec. 18 of the Trans-Canada Air Lines Act provides: "Nothing in this Act shall be deemed to relieve the Corporation or its servants from any duty or obligation under any other statute, regulation or law, not inconsistent with the provisions of this Act, relating to the ownership or operation of aircraft or to the transport of passengers and goods by means of aircraft."

[49] Information from E. H. Moncrieff, Director of Personnel and Organization control of the T.C.A., as of Jan. 3, 1947; Commons, Sessional Committee on Railways and Shipping, *Proceedings,* May 13, 1947, p. 217.

The average salaries of the personnel increased during the same period from $155 monthly to $185 monthly, which was slightly less than the rise in the cost-of-living index. These wage rates are fixed in separate agreements covering the pilots, maintenance personnel, ground radio operators, dispatchers, passenger agents, navigators, and flight radio officers. The first five of these groups are affiliated with outside labor organizations. Under these agreements the personnel of the T.C.A. is somewhat better paid than that of the Canadian Pacific Air Lines.[51] As in the case of the railway employees, there is a wage differential for air-line employees in Canada and the United States. Employees who are under forty years of age are eligible for the contributory pension system, based on the C.N.R. pension plan of 1935. In so far as comparisons can be made in view of the nature of the transportation services and the corresponding functions of personnel, the employees of the rapidly expanding T.C.A. have a position which contains many features similar to that of the employees of the C.N.R.

The status of an employee of the C.N.R. offers interesting comparisons with that of an employee in the regular classified public service. Selection in the public service is largely by examination, whereas no general rule may be laid down for the recruitment of the many types of railway employees. Written examinations, however, are used in only a few exceptional cases. Much of the work of recruitment for the railways is handled, often in a haphazard fashion, in the divisional offices, which play a far more important role than do the recently created regional offices of the Civil Service Commission. The wage scales in the public services allow for annual increases within the maximum and minimum limits of a grade, whereas all railway employees fall into clearly defined groups, the members of which are paid at the same rates. Increases can be secured by the railway employee only through promotion or "general increases." Seniority is a far more important factor in promotions than in the classified service. The pay scales for persons of comparable ability and experience are somewhat higher for many types of employment, especially clerical, in the railway service. The retirement system of the C.N.R. is not as generous as that under the Civil Service Superannuation Act, and there are more liberal provisions for leave in the public service. There is greater security in the classified service, since the C.N.R. releases employees more frequently for incompetence, inefficiency, and other reasons. It is true that under wartime conditions, with the restricted controls and regulations, some of these differences tended to disappear, but with the removal of many of the restrictions in the post-hostilities period, they have again been in evidence.

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[50] *Ibid.*, October 30, 1945, pp. 184, 185, 218; May 28, 1946, p. 210.

[51] The averages in Dec., 1946, for mechanics were $2,196 annually on the T.C.A., and $1,824 on the Canadian Pacific Air Lines; for pilots the averages were $6,800 and $5,200 respectively. The types of work performed by the mechanics would be roughly comparable, but the same is not true of the work of pilots and other types of personnel.

BANK OF CANADA AND CANADIAN BROADCASTING CORPORATION EMPLOYEES

Besides the crown corporations engaged in transportation, there have been a number of others created largely during the past fifteen years for other purposes. A partial list includes the Bank of Canada, which began operations in 1935[52] in the backwash of the financial problems left by the depression to act as the fiscal agent of the Government and to perform other functions of a central bank. The Canadian Broadcasting Corporation (C.B.C.) was an outgrowth of earlier developments culminating first in the establishment of the Canadian Radio Broadcasting Commission of 1932. Under its present statute of 1936,[53] the C.B.C. has been charged with public broadcasting for Canada and has also been vested with broad regulatory powers over private Canadian broadcasting stations. More recently there has been the Export Credits Insurance Corporation of 1944,[54] designed to promote trade by the provision of government insurance, and the Canadian Commercial Corporation

[52] *Statutes of Canada*, 1934, c. 43.
[53] *Ibid.*, 1936, c. 24; note, in general, *Canada Year Book*, 1947, pp. 737-744.
[54] *Ibid.*, 1944-1945, c. 39.

of 1946,[55] which took over the functions of several existing governmental agencies. It has served in the past as a purchasing agent for foreign and Canadian governmental organizations, and now acts chiefly for the Canadian defence services.

These crown corporations possess both a corporate status and a number of organizational features of private corporations. The shares of the Bank of Canada were originally in private hands, but by 1938 these had all been acquired by the Government. The C.B.C., like its British counterpart, the B.B.C., has no share capital. All of these corporations are either specifically exempt from the operation of the Civil Service Act or have not been brought under its provisions, but the previously acquired rights of "civil servants" on loan or in the service of the corporations have usually been guaranteed. With the exception of the Export Credits Insurance Corporation, where no pension rights were provided for its employees, each of the mentioned corporations had in 1947 its own superannuation system separate from that provided by the Civil Service Superannuation Act.

Some of these corporations are subject to suit, for certain purposes at least, in the ordinary courts.[56] Action against others (as agents) can be maintained only by proceeding against the Crown as principal through Petitions of Right in the Dominion Exchequer Court. The incorporating statute of the Central Mortgage and Housing Corporation, which borrowed otherwise heavily from the Bank of Canada, has experimented in providing a divided legal personality which will permit the corporation to be sued in the ordinary courts in contract or tort where the corporation is acting in its separate and private "corporate capacity." Action involving the corporation will presumably be permitted against the Crown by fiat in the Exchequer Court when the corporation is acting as an agent of the Crown.[57] The statute on which the Bank of Canada is based contains no provision similar to that in the statute of its corporate subsidiary, the Industrial Development Bank, which provides that it "shall constitute . . . an agency of His Majesty." However, the Bank has been careful to avoid claims to immunity as an agency of His Majesty by accepting the same liability in contract and tort as that of private banks. As pointed out previously, the courts have held that the C.B.C. was not immune from actions in the ordinary courts in contract suits.

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[55] *Ibid.*, 1946, c. 40, as amended.

[56] As in the case of the Export Credits Insurance Corporation (*Statutes of Canada*, 1944-1945, c. 39, sec. 3[2]).

[57] According to its President, D. B. Mansur, the Central Mortgage and Housing Corporation was the first to be incorporated by statute which included provisions for this dual legal personality. See *Statutes of Canada*, 1945, c. 15, sec. 5. Cf. the case of the Canadian Commercial Corporation, *ibid.*, 1946, c. 40, secs. 3(5), 9, 10.

In view of the many differences in methods of handling personnel in the various crown corporations, the Bank of Canada and C.B.C. have been singled out for special attention.[58] While the statutes incorporating each agency have special and distinguishing features, there are many formal similarities in the legal position of the two corporations. In both cases the members of the Board of Governors or Directors, which include *ex-officio* members, are appointed by the Governor in Council. In neither case is the corporation directly answerable in certain respects to the Government;[59] in neither case does the corporation act as a government department; in neither case does the corporation derive its funds directly from the general funds of the Dominion;[60] in neither case, aside from the members of the boards and certain high officers, does the Government make appointments to the staff. The original rank and file staff of the Bank of Canada was composed, to a considerable extent, of classified civil servants who were engaged in the performance of governmental services transferred to the Bank. Most of the subordinate employees of the Canadian Radio Broadcasting Commission, the predecessor of the C.B.C., were also civil servants who in this case were recruited by the Civil Service Commission. In both cases, though in different respects, the trend has been consequently towards the evolution of an autonomous and independent personnel policy.

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[58] The writer is indebted to Graham F. Towers, Governor of the Bank of Canada; D. G. Marble, Secretary of the Bank of Canada; A. D. Dunton, Chairman of the C.B.C.; R. P. Landry, Director of the Personnel and Administration Division of the C.B.C.; and other officials and employees of these corporations for information given.

[59] Note *Recorder's Court* v. *Canadian Broadcasting Corporation* (1941) 2 D.L.R. 551 at pp. 560-562.

[60] In the case of the C.B.C., see, however, *Statutes of Canada*, 1936, c. 24, secs. 14-18.

The formal analogies tell only a part of the story. The actual differences in the status of the C.B.C. and the Bank of Canada, inherent in the differences in their functions, are very marked. Good organization, astute management, and the noncontroversial character of certain of the activities of the Bank have enabled it, after its first years of operation, to remain largely out of the realm of party discussion.[61] The nature of the combined broadcasting and regulatory functions in a bilingual country, coupled with organizational defects and poor direction on occasions prior to 1944, has kept the C.B.C. at the center of continued and violent party controversy. Its affairs have been thrashed out at periodic intervals, annually since 1942, before special Parliamentary committees. The result has been that the Bank of Canada, despite its intimate contact with the Government of the day, has been able to maintain a separateness and independence, permitting it both autonomy and privacy in the handling of its personnel matters. The C.B.C., in contrast, has experienced considerable pressure for patronage, continued criticism of its personnel, and repeated efforts by opposition parties in Parliament to secure changes in its functions. In other words, a comparison of the position of the Bank of Canada and of that of the C.B.C. based on a reading of their incorporating statutes would be inadequate without a realistic appraisal of their status in the light of the realities of practical politics.

The increase in personnel of both corporations will be indicative of the added demand placed on their facilities after 1939. The number of employees of the Bank (excluding the Foreign Exchange Control Board) grew from 369 on January 1, 1939, to 1,181 in 1943 and to 1,116 in 1946, whereas the number of the C.B.C. employees for roughly comparable dates grew from 522 in 1939 to 726 in 1943 and to 977 in

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[61] There have been occasional proposals in the House of Commons for more careful scrutiny of the reports and activities of the Bank of Canada. The House of Commons Committee on Banking and Commerce in 1939 and 1944 included the Bank of Canada in its investigations. In view of its financial theories, the Social Credit Party has maintained a special interest in the fiscal policies of the Bank.

1946. A much larger percentage of the staff of the Bank of Canada than of the C.B.C. consists of female employees performing purely clerical and stenographic work. The more rapid growth of the personnel of the Bank during the war years was largely a reflection of this increase in the number of these clerical and stenographic employees.

The general pattern set in the classified public service has served as an important, though not binding, guide for the classification and salary scales of the lower-paid employees in both the Bank and the C.B.C. The starting salaries of beginning unskilled clerical employees are approximately the same in all these cases. In the higher-paid classes there are wide variations, for the $30,000 received by the Governor of the Bank of Canada in 1947 was the highest salary paid to any Canadian public official and was over twice that of the highest paid official of the C.B.C. With this wide latitude offered, the Bank of Canada has instituted a more flexible and highly individualized salary scale than has the C.B.C. The heavy increase in the numbers of the lower-paid staff will explain the decline in the average wage of the Bank employees between 1939 and 1947, despite the wartime bonus payments and some salary increases during that period. In the C.B.C. the average salaries increased from $1,686 in 1939, to $1,803 in 1943, to $2,162 in 1946. The average figure of the C.B.C. was lower than that of the Bank of Canada in 1939 and higher than that of the Bank in 1946. In both cases the Bank and the C.B.C. were bound by the wage and salary control regulations during the war and faced the usual difficulties in recruiting staff for stenographic and clerical work.

In the upper brackets, the Bank of Canada loaned numbers of its executive and research employees or provided their services to such agencies as the Foreign Exchange Control Board.[62] In turn it was able to recruit from private banks and other institutions. After 1944 many of these officials returned to their former positions, and the Bank of Canada also lost other trained employees to private banks and corporations. The

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[62] After Jan. 1, 1947, the Bank of Canada was charged with providing the Board with "such officers, clerks and employees" as might be required (*Statutes of Canada*, 1946, c. 53, sec. 12).

C.B.C. has had even greater difficulty in retaining its trained administrative and technical personnel, especially in 1945-1947, largely because of the lower salary range and other employment conditions which have placed it at a competitive disadvantage with the private radio industry. Neither corporation has been seriously affected by "competition" of the classified public service, though there has been some movement back and forth of clerical and stenographic personnel. In fact, where any comparisons can be made, the salaries of professional, scientific, and technical personnel are higher in both the Bank of Canada and in the C.B.C. than in the regular classified service.[63]

The system of personnel administration was not materially altered after 1939 in the Bank of Canada, though adaptations were made because of wartime conditions. The Secretary of the Bank continued to serve in fact as personnel director.[64] No written examinations were used, except a few "pass examinations" for stenographers; and the emphasis continued to be placed upon oral interviews and the records of applicants. The C.B.C. furnishes a different story. The efforts in that corporation to place policy determination in the hands of the Board of Governors and administrative matters in those of a General Manager offered ample opportunity for disagreement after 1936,[65] and the provision for a permanent Chairman of the Board in 1944 was one step designed to remove jurisdictional conflicts. Although difficulties remained, the new arrangements did prepare the way for some internal administrative adjustments and improvements.

[63] See Commons, Special Committee on Radio Broadcasting, *Proceedings and Evidence*, March 22, 1944, p. 92. Dr. Frigon, General Manager, has stated that the C.B.C. keeps its eyes on the "civil service" in fixing clerical salaries and on private enterprise in fixing salaries for technicians and professional men (*ibid.*, June 11, 1946, p. 51). Bank of Canada officials maintain, however, that there is no really valid basis for comparing these salaries.

[64] Prior to the war a Staff Committee composed of the Governor, Deputy Governor, and Secretary of the Bank recommended appointments to the Executive Committee of the Board which is legally vested with the appointing power. During the war the necessity for speedy action led to "recommendations" directly to the Executive Committee by the Secretary.

[65] J. E. Hodgetts, "Administration and Politics: The Case of the Canadian Broadcasting Corporation," *Canadian Journal of Economics and Political Science*, XII (Nov., 1946), 456-457.

One of the new divisions created under the General Manager of the C.B.C. after 1944 was that of Personnel and Administration, under which the control of personnel was centralized. The Division of Personnel and Administration prepared a comprehensive job-and-wage analysis after a preliminary survey in 1944,[66] which formed the basis of the classification and wage plans later adopted. Recruitment and promotions were handled thereafter on a more consistent and regularized basis than formerly in this organization.[67] There appears also to have been more regard for the merit principle, a development which can no doubt be attributed in part to the conditions of the labor market. In these developments the C.B.C. has been necessarily concerned to see that its proportion of French-Canadian employees approximates the proportion of French Canadians in Canada. It has also been careful to see that French Canadians are well represented in the higher administrative ranks.[68] The Bank of Canada, like the Department of Finance, has not recruited any appreciable number of French Canadians for the higher posts.[69]

In both the Bank of Canada and the C.B.C. a vague distinction has been drawn between permanent and temporary employees, though the terms are not used as in the classified service. In the Bank the distinction is based on the type of superannuation privileges which are accorded the employees. In the C.B.C. the distinction seems to turn entirely on the presence or absence of a guarantee of permanent employment.

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[66] C.B.C., "Report on Job and Wage Analysis" (typewritten and undated). The report was prepared by two officials of the C.B.C. under the supervision of the Director of Administration and Personnel. The salary scales recommended were to be fixed "in the light of current market values." The report stated that the pattern of salaries up to the $3,000 level compared "fairly well with the general pattern of salaries paid for similar work on the open market." Above that level there was a marked discrepancy.

[67] Hodgetts, "Administration and Politics: The Case of the Canadian Broadcasting Corporation," p. 458.

[68] Since 1939 approximately 30 per cent of the staff has consisted of French Canadians. In 1947 the Chairman was of English background, and the General Manager was a French Canadian.

[69] The same explanation is offered for this failure as is offered in the Department of Finance—namely, that bilingual employees "with the special qualifications desired" can secure more desirable salaries and inducements outside than in the government service.

The Bank of Canada and the C.B.C. have their own superannuation systems.[70] In the former the "permanent employees" contribute to a pension fund through salary deductions ranging between 5 and 6 per cent, whereas the other employees contribute to a retirement fund through deductions of 5 per cent of their salaries, if they are not covered under the Unemployment Insurance Act. In this latter case the deductions are 4 per cent. The single pension plan in the C.B.C. covers both temporary and permanent employees, who contribute 6 per cent of their salary. The main features of the plans in both the Bank and the C.B.C. for permanent employees are similar to those of the Civil Service Superannuation Act, but there are some minor differences. One of the variations from the Civil Service Superannuation Act consists in the more liberal arrangements made for temporary employees in the C.B.C. and, to a lesser extent, in the Bank.

The staff of the Bank of Canada has never been organized into staff associations or unions. The employees of the C.B.C. were organized several years ago, regardless of occupation or profession, into some twenty-three "staff councils" at the various points in Canada where services were rendered. At the apex of this organization was a national council, consisting of representatives of these "staff councils," which discussed employment conditions with the management. During the earlier stages of this operation the system worked without serious complaint, in part because many of the staff-side demands were met. During the course of the war, however, the interest in the staff councils flagged in certain quarters, and some of the technicians and others increased their efforts to secure outside trade union affiliation.[71] The Canadian labor organizations, especially the Canadian Congress of Labour, also brought pressure during the war to secure unionization and collective bargaining for C.B.C. employees.

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[70] See Bank of Canada, *Rules for the Staff . . . Feb. 1, 1945*, pp. 9 ff., 23-24, and *C.B.C. Pension Plan* (undated).

[71] According to Dr. Frigon, a poll conducted by the employees at the end of the war showed 63 per cent casting valid ballots in favor of the existing staff council system, 18 per cent for the staff council system with some major modifications in their status, and 14 per cent for outside union organization (Commons, Special Committee on Radio Broadcasting, *Proceedings and Evidence*, June 11, 1946, p. 52). The national meeting of the staff councils drew up a new constitution in 1947 (*ibid.*, May 19, 1947, p. 29).

The original objections of the C.B.C. to these moves were based on a contention that the C.B.C., as an emanation of the Crown, was debarred, as was any government department, from collective bargaining. Under P.C. 1003, which covered "government corporations," this defence lost its validity.[72] The issue was raised in 1945 when technical operators in Toronto asked through the I.B.E.W. for certification from the Wartime Labour Relations Board. While the C.B.C. did not question the application of the principle of collective bargaining, the Board concluded that the petitioning group because of its numerical size and geographical disposition could not be designated as an "appropriate" bargaining unit.

The status of the employees of the Bank and of the C.B.C. as compared with that of employees in the classified public service has not changed greatly since 1939. Selection by the Bank and the C.B.C. has remained free from control by the Civil Service Commission. The employees of the two crown corporations possess many of the advantages of the classified civil servants, including security of tenure and comparable superannuation benefits. Dismissals for incompetency are, however, easier to secure and are more frequent than in the classified service, possibly because of the closer association with private business and the attempt to apply some private business practices. The salaries for the rank-and-file employees are quite similar in all three cases, but there has continued to be the greater degree of individual salary variations in the Bank, in contrast to both the C.B.C. and the classified service, for the middle and higher positions. The salary range of the Bank of Canada is the highest in the government service, while the salaries paid by the C.B.C. compare at least favorably with those of the classified civil service. On the other hand, the salaries of the higher-paid officials in both crown corporations are hardly comparable with those paid in private banking and broadcasting enterprises. As a consequence, the C.B.C. in particular was losing its higher officials at a rapid rate in 1945-1947.[73] Despite losses, the Bank of Canada has been more successful in recruiting and retaining its staff, and the continued prestige of employment has enabled it to build up one of the ablest groups of executive and research personnel in Canada.

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[72] *Ibid.*, June 11, 1946, p. 54; *Canadian Labour Service*, pp. 7-614. Cf. Hodgetts, "Administration and Politics: The Case of the Canadian Broadcasting Corporation," pp. 458-459. On collective bargaining in crown corporations, see below, pp. 167 ff.

EMPLOYEES OF WARTIME CROWN COMPANIES

One of the most distinctive and important developments in the history of the Canadian war economy was the creation of a large number of crown companies. Their history[74] may be divided arbitrarily into two periods, (1) the developmental period of 1940-1944, when the companies were being established under the Dominion Companies Act, 1934, and utilized for strictly wartime purposes, and (2) the period from 1944 to the present, when all but a few of the crown companies were dissolved and new companies were created on a statutory basis. The first of these to be set up was the Plateau Company, Ltd., on May 15, 1940, and it was also one of the first to be liquidated in 1944. Up to May 14, 1946, 31 crown companies had been established under the Dominion Companies Act, 1934, 17 of which had been liquidated and 9 of which were in the process of liquidation.[75]

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[73] Commons, Special Committee on Radio Broadcasting, *Proceedings and Evidence*, May 19, 1947, pp. 22-29. For an account of the resignations of three key officials in Aug.-Sept., 1947, see the Ottawa *Journal*, Sept. 8, 1947, p. 4. These developments help explain the decision of the C.B.C. in Nov., 1947, to pay its employees earning under $6000 annually a bonus of 10 per cent for a specified period (Montreal *Gazette*, Nov. 26, 1947, p. 1).

[74] Semi-secret histories of each of these crown companies have been written, and copies were on file in 1947 in the Ministry of Reconstruction and Supply. The publication of an official history of the Department of Munitions and Supply was planned for 1948. Until these histories are fully available, only major outlines of the internal development and employment policies of the crown companies can be presented.

[75] Commons, *Debates*, May 14, 1946, p. 1512. *Public Accounts*, 1945, Part II, MA, p. 82, listed the accounts of the following 28 crown companies as having been audited by the Auditor-General during the fiscal year 1945: (1) Aero Meters, Ltd., (2) Aero Timber Products, Ltd., (3) Allied War Supplies Corp., Ltd., (4) Atlas Plant Extension, Ltd., (5) Citadel Merchandising Co., Ltd., (6) Cutting Tools and Gauges, Ltd., (7) Defence Communications, Ltd., (8) Eldorado Mining and Refining (1944), Ltd., (9) Northern Transportation Co., Ltd., (10) Federal Aircraft, Ltd., (11) Machinery Service, Ltd., (12) Melbourne Merchandising Co., Ltd., (13) National Railways Munitions, Ltd., (14)

In order to explain the status of the employees of these crown companies, some mention must be made of their legal position, their origin, and their method of operation. These crown companies, which were started between 1940 and 1944, differed from the crown corporations such as the Bank of Canada and the C.B.C. in several respects. All of the crown companies were recognized to be agencies of the Crown, and their immunity from suit in the ordinary courts was essentially the same as that of a government department. Furthermore, all of them were created for wartime purposes, were based on the wartime emergency powers, were financed from the war appropriations, were audited by the Auditor-General,[76] and were considered to be temporary in character. They were attached to the Department of Munitions and Supply, or Reconstruction and Supply at a later date, and were at all times subject to the ultimate control of the minister. In addition, each of these companies up to the time of the establishment of the War Assets Corporation in 1944 was brought into being under the provisions of the Munitions and Supply Act,[77] and not by special statute. Their fiscal relationships with the Department of Finance, and especially with the Comptroller of the Treas-

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North West Purchasing, Ltd., (15) Polymer Corp., Ltd., (16) Polymer Sales and Service, Ltd., (17) Quebec Shipyards, Ltd., (18) Research Enterprises, Ltd., (19) Small Arms, Ltd., (20) Turbo Research, Ltd., (21) Veneer Log Supply, Ltd., (22) Victory Aircraft, Ltd., (23) War Assets Corp., Ltd., (24) War Supplies, Ltd., (25) Wartime Housing, Ltd., (26) Wartime Metals Corporation, (27) Wartime Oils, Ltd., (28) Wartime Shipbuilding, Ltd.

A comparison of the above list with that included in Department of Munitions and Supply, *The Industrial Front*, IV (July 1, 1943), 82-98, will indicate the major changes between the specified dates in 1943 and 1945. Three crown companies: Plateau Co., Ltd.; Trafalgar Shipbuilding Co., Ltd.; and Toronto Shipbuilding Co., Ltd., had gone out of existence by 1943-1944. The functions of the first had been taken over by the Melbourne Merchandising, Ltd. *Public Accounts*, 1946, VA, p. 68, will show the extent of operations up to March 31, 1946.

For a list of the remaining ones of these crown companies in existence on Dec. 31, 1946, see above, p. 137. See *Sessional Paper*, No. 102 C of March 11, 1947, for more recent changes.

[76] Auditor-General, *General Office Guide*, pp. 115-137; Frank E. Wood, *Financial Control through Audit and Cost Investigation* (mimeographed, July, 1946), pp. 15 ff.

[77] *Statutes of Canada*, 1940, c. 31, sec. 6 (3a, b). The various methods of incorporation permitted and the applicable provisions of the Dominion Companies Act, 1934, are covered in these sections.

ury, were such as to justify Finance Minister Ilsley's statement in 1945 that they were "closer to the crown" than the C.N.R.[78] The crown companies were also to be differentiated from the management-fee companies, the plants of which were owned by the Crown but operated on a management-fee basis by private concerns.[79]

In the debates of 1940 on the bill to amend the Department of Munitions and Supply Act of 1939, designed to permit the delegation of "work by the department to government owned corporations," three reasons for the creation of the crown companies were offered by the government spokesman.[80] They were: to guarantee secrecy for certain undertakings and processes, to permit some degree of decentralization, and, above all, to provide a congenial environment in which the entrepreneurs who were to direct most of the war production might operate. The crown company, in other words, would provide the kind of governmentally controlled organization most comparable to the private corporate organization with which the financiers and industrialists were acquainted. There were other considerations, including the desire to remove "certain limitations in ordinary government procedure," as the head of one crown company has expressed it. These limitations included outside controls such as "interference" from the military services and particularly the "meddling" of the Civil Service Commission and Treasury Board. In short, the crown company was a corporate device for bridging the gap between private and governmental enterprise in wartime. Like the Wartime Prices and Trade Board, these companies furnished the employment for a large percentage of the dollar-a-year-men and officials on loan from private industry.

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[78] Commons, *Debates*, June 9, 1942, pp. 3205. Cf. the comments of Mr. Howe, then Minister of Reconstruction and Supply, in *ibid.*, June 19, 1948, p. 5526.

[79] An official of Polymer Corporation, Ltd., has succinctly described the status of that corporation in 1945 as follows:

"Polymer Corporation is a wholly-owned Government company. It is answerable to the Minister of Munitions and Supply and all issued shares (other than the Directors' qualifying shares) are held by that Minister in trust for the Government. The Board of Directors of Polymer Corporation consists of seven members selected by the Minister. They are business and professional men and, with the exception of the Managing Director, they all serve without remuneration.

"While the shares in the Company are owned by the Government, none of its officers or employees are civil servants. Polymer Corporation directs and supervises the activities of the three operating companies associated with the project. These three companies are not subsidiary companies; they are independent organizations who are paid on a management fee basis for the services that they perform" (Communication of July 20, 1945, from J. R. Nicholson, Managing Director).

[80] Commons, *Debates*, June 14, 1940, p. 788; cf. May 14, 1946, pp. 1511 ff. Note explanations offered by former officials of crown companies in W. E. Phillips, "Some Experiences in the Administration of a Crown Company," *Commerce Journal*, April, 1946, pp. 19 ff., and in Harold Crabtree, "Crown Companies in the Canadian War Production Programme," *Quarterly Review of Commerce*, IX (1942), 206 ff.

The crown companies were of three types. First, there were the administrative and supervisory companies which did not directly operate the plants but arranged for their building and operation and for the sale of their products. Allied War Supplies Corp., Ltd., was the first crown company of this class to be created. A second type of crown company, illustrated by Research Enterprises, Ltd., was the "manufacturing company" which built and operated its own plants for production purposes. The third type, of which the Melbourne Merchandising Co., Ltd., was an example, consisted of those which merchandised raw materials and provided stockpiles of essential products for military and civilian purposes.

Though a board of directors was provided for each company, the functions of these boards were in most cases of purely an advisory character. Their role, as the president of one crown company expressed it, was to "share over-all responsibility" rather than to "initiate policies and lay down objectives."[81] The presidents often held other positions in the Department of Munitions and Supply.

In the case of the first crown companies created in 1940-1941, little difficulty was experienced in securing needed personnel. Many officials were loaned by their companies and continued to be paid their previous salaries. Numbers of retired officials from private companies were employed. A few civil servants were either loaned or transferred to certain of the crown companies. It was customary for the higher officials of the crown companies to view these civil servants as products of a "system" and to look upon them as mediocre and "red-tape" ridden individuals, possessing a "civil service mentality."[82] The problem of recruitment, particularly of wage-earning employees, became increasingly difficult as the labor market tightened during the progress of the war. These difficulties were greatest at the time of peak employment, reached about July 1, 1943. At that time there were 27,300 employees of the crown companies.[83]

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[81] Phillips, "Some Experiences in the Administration of a Crown Company," p. 20. The creation of Citadel Merchandising Co., Ltd., has been described by Thomas Arnold, who in May, 1940, "was requested to take the Presidency, select a Board of Directors and secure the staff necessary to operate." He chose four friends, all directors of different banks, for the purpose. Mr. Arnold held, in addition to this post, positions as a Controller in the Department of Munitions and Supply and as president of another crown company.

Though subject to the rigid controls of the Wartime Salaries and Wages Control Orders, the officials of the crown companies were able to offer employees initial inducements of a type to give them a competitive advantage with the regular classified service. A fairly common practice in a large number of the companies was to pay the employee what he had been earning in private employment. The salary scales of the crown companies have not been made public, but there is evidence that the average for salaried employees was higher than in the classified service. One justification for the situation was that all of the employees were temporary ones and had no guarantee of security. As temporaries they were covered by the Unemployment Insurance Act and later were brought under the Government Employees Compensation Act. Except for the few civil servants who added to the general discomfort of the company officials by their presence, none of the employees were covered under any superannuation system.

During the early years of the war there were bitter complaints from the ranks of organized labor about the labor policies of the crown companies. The chief criticism was initially directed at the lack of labor representation on the boards of directors. Both the Trades and Labor Congress[84] and the

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[82] The president of one well-known company said that he "inherited 40 civil servants," who spent most of their time seeking raises.

[83] Communication of Oct. 9, 1945, from the Hon. C. D. Howe, then Minister of Munitions and Supply.

[84] *Proceedings of the 58th Annual Convention*, 1942, p. 28. In the summer of 1941 the late Tom Moore, then President of the Trades and Labor Congress, expressed himself vigorously to the writer on this subject.

Canadian Congress of Labour[85] protested vigorously on this score. In 1943 the Government initiated the policy of requiring at least one representative of organized labor on each board of directors. The application of this policy by Minister Howe led to the resignation of the president of one crown company, J. P. Bickell of Victory Aircraft, Ltd. Bickell maintained without avail that, in accepting his position, he had done so with the understanding he would have freedom in choosing the members of his board.[86]

There were also sharp labor criticisms of the lack of willingness, and possibly authority, on the part of the crown companies to bargain collectively with their employees during the early years of their operation. After repeated demands from labor organizations, P.C. 10,802 of December 1, 1942, was issued recognizing the right of employees of crown companies to belong to unions, prohibiting types of interference or discrimination by employers, and authorizing the companies to negotiate collective agreements with properly chosen employee representatives.[87] Various agreements resulted from this authorization, with six crown companies reporting collective agreements completed or being negotiated by May, 1943.[88] These rights were more elaborately recognized and more specifically defined in the general P.C. 1003 of February 17, 1944.

Despite these changes, the officers of both the Trades and Labor Congress and the Canadian Congress of Labour consider that conditions, while better at the end of the war than at the beginning,[89] were never satisfactory in the crown companies. In particular it was felt that unnecessary difficulties were encountered by the unions in securing certification as authorized agencies for collective bargaining.

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[85] *Proceedings of the Second Annual Convention*, 1941, p. 11.

[86] In commenting on the Bickell case, the *Trades and Labor Congress Journal*, XXIII (Feb., 1944), 5, wondered how the Minister of Munitions and Supply "got tangled up with such a bunch of reactionary employers as (dis)graced many of the Boards of Crown Companies."

[87] See *Proceedings of the 59th Annual Convention of the Trades and Labor Congress of Canada*, 1943, pp. 41-42.

[88] According to Labour Minister Mitchell in Commons, *Debates*, May 24, 1943, pp. 2930-2931.

[89] Note comments in Trades and Labor Congress Memorandum of April 23, 1945, to the Prime Minister.

In 1944, as mentioned, the liquidation of the first crown company and the incorporation of the first company to be based on a specific statute occurred. This new crown company, the War Assets Corporation, had originally been set up by order in council to manage, dispose of, and handle the dispositions of surplus crown assets. The reasons offered by Minister Howe in requesting statutory basis for this already chartered company were that the passage of a statute would provide an opportunity for Parliamentary discussion and, more important, would furnish a legal basis for the War Assets Corporation after the termination of the Government's authority under the War Measures Act.[90]

The Government Companies Operation Act[91] was enacted by Parliament in 1946 to provide for the continued operation and financing of the crown companies from other than war appropriations. The act specified that the Civil Service Act and Civil Service Superannuation Act were not to apply to employees except in the case of civil servants. The Government Employees Compensation Act was to apply to the "officers and servants of the Company," and other employee rights were recognized. In contrast to the previously recognized immunity of the crown companies from suit in the ordinary courts, each company could under this act sue and be sued "as an agent of His Majesty as if the right or obligation incurred had been acquired or incurred on its own behalf instead of as agent of His Majesty."[92]

When the Minister of Reconstruction and Supply introduced the previously mentioned measure in the House of Commons, he indicated that there were five crown companies, excluding those already in the process of liquidation, which would come under this act. Of these, two, the Park Steamship Co., Ltd., and Wartime Housing, Ltd., would be ended in

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[90] Commons, *Debates*, June 12, 1944, p. 3729.

[91] *Statutes of Canada*, 1946, c. 24.

[92] In the absence of any test case, there is difference of legal opinion as to whether a fiat would first be necessary. Since fiats can be readily secured except in the most exceptional circumstances, the question is not an important one.

"three or four years." The other three, Eldorado Mining and Refining (1944), Ltd., Canadian Arsenals, Ltd., and Polymer Corporation, Ltd., would continue as crown companies "for many years to come."[93]

The nature of these corporations will suggest the reason for their permanence. Eldorado Mining and Refining (1944), Ltd., is composed of properties acquired by purchase from a private corporation in 1944 and is one of the world's largest producers and processors of radium and uranium ore; the Canadian Arsenals, Ltd., which took over the work of the Dominion Arsenals and certain of the functions of the Allied War Supplies Corporation, Ltd., was to "produce the requirements of the army in times of peace"; and the Polymer Corporation, Ltd., was considered necessary to guarantee Canada's independence from foreign suppliers of rubber. The military considerations involved in the work of the first two companies and the competitive position of the Polymer Corporation, Ltd., have been offered as reasons for refusing requested information on the personnel of these crown companies.[94]

A recently created crown company, which later assumed jurisdiction over an existing wartime crown company, was the Central Mortgage and Housing Corporation. This corporation began its operations on January 1, 1946. Originally created by statute[95] rather than by Letters Patent, as in the case of the War Assets Corporation, and subject to fewer direct controls by the minister who represented it before Parliament,[96] the officers of this "corporation" preferred to call it a "statutory crown corporation" rather than a "crown company." In their eyes its position and the status of its Board of Directors, officers, and employees were more nearly comparable to those of the Bank of Canada than to those of the Canadian Arsenals, Ltd., or the Polymer Corporation, Ltd.[97] By an almost unique set of legal procedures,[98] Wartime Housing, Ltd., a crown company, became a subsidiary of the Central Mortgage and Housing Corporation on January 1, 1947, at which time the corporation took over the "offices, members of the staff and employees of the Company." Thus in 1947 there was a statutory crown corporation with a subsidiary crown company serving as an operating unit.

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[93] Commons, *Debates*, May 14, 1946, pp. 1512-1513. As of Feb., 1947, the following "corporations" were listed by the Department of Reconstruction and Supply: Canadian Arsenals, Ltd.; Polymer Corporation, Ltd.; Central Mortgage and Housing Corporation; Eldorado Mining and Refining (1944), Ltd.; Wartime Housing, Ltd.; War Assets Corporation; Park Steamship Co., Ltd.; Wartime Shipbuilding, Ltd.; Melbourne Merchandising, Ltd.; and War Supplies, Ltd. The last two mentioned, however, had only five remaining employees (Commons, *Sessional Paper* No. 106 F of March 27, 1947, p. 34).

[94] Commons, *Debates*, May 27, 1946, p. 1902. In Feb., 1947, Canadian Arsenals, Ltd., reported 1,790 employees (as compared with 13,500 employees of the Dominion Arsenals in 1943); Eldorado Mining and Refining (1944), Ltd., reported 492 employees; and Polymer Corporation, Ltd., reported 1,843 employees (Commons, *Sessional Paper* No. 106 F of March 27, 1947, p. 34).

[95] *Statutes of Canada*, 1945, c. 15; *Canada Year Book*, 1947, pp. 1112-1113.

[96] Originally the Minister of Finance and after April 15, 1946, the Minister of Reconstruction and Supply.

Although certain differences remained, the original gap between the surviving crown companies attached to the Department of Reconstruction and Supply and other crown corporations had been narrowed considerably by 1946. The statute of the Central Mortgage and Housing Corporation in particular would permit it to be classified together with prewar crown corporations.

The personnel policies and practices of the War Assets Corporation and the Central Mortgage and Housing Corporation furnish some interesting comparisons between one corporation which is considered to be temporary and the other which is considered to be permanent. Both corporations were much in the public eye in 1946-1947. The first of these has furnished detailed information to the House of Commons on its personnel practices, whereas the newer Central Mortgage and Housing Corporation has followed the precedent of the Bank of Canada in refusing information on most personnel matters, especially on salary questions. The employees of the War Assets Corporation, the number of whom expanded rapidly from 2,200 in September, 1945, to a peak of 10,371 in 1946, and to about 9,500 in December, 1946,[99] were all classed as temporary employees. As such they were not covered by a superannuation system but were entitled to unemployment insurance. In the spring of 1947 the Central Mortgage and Housing Corporation was instituting a superannuation system based on that of the Bank of Canada, for which most of the 300 employees of the corporation and probably not over 200 employees of the 1,400 employees of Wartime Housing, Ltd., would be eligible. Both the War Assets Corporation and the subsidiary Wartime Housing, Ltd., had a large number of prevailing-rates employees who posed special problems. The average salaries of the salaried employees in the War Assets Corporation were somewhat higher than those in the regular classified service, a policy which was officially justified by the temporariness of the employment.

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[97] However, unlike the statute incorporating the Bank of Canada, the statute of the Central Mortgage and Housing Corporation provides that the "officers and employees are not officers or servants of His Majesty" (sec. 14). Though this provision clearly absolves the Crown of any legal liability for the acts of the employees of the corporations, the legal officers of that corporation are at a loss to explain the reasons for the inclusion of this provision.

[98] Authorized under sec. 30 (g) of *Statutes of Canada*, 1945, c. 15, and completed by P.C. 396 of Feb. 3, 1947.

The organization work of the personnel offices late in 1946 exhibited some contrast. In the War Assets Corporation, control was in the hands of a Director of Organization and Personnel, who was in turn responsible to the President of the Corporation. This department functioned through several divisions. Five regional personnel officers had been established, and, subject to ultimate approval at the central office, the personnel work was largely decentralized in these regional agencies. An elaborate system of records and an extensive program of staff management and personnel services were instituted in 1945,[100] which included job analyses, unit surveys, a classification system, and a central requisition system. The rapid increase, coupled with the sharp turnover of personnel, continued political pressure on the War Assets Corporation and frequent questions calling for much personnel information necessitated a number of these developments. Nevertheless, the elaborateness of the organization exceeded the demands of sound personnel administration.

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[99] According to C. T. MacKenzie, Director of the Organization and Personnel Department, there were approximately 2,700 "hourly rated" employees, 1,700 guards (Legionnaires), and 5,100 salaried employees in Dec., 1946. By July 31, 1947, when the number of employees had dropped to 8,001, the reduction in the activities of the War Assets Corporation had begun (Montreal *Gazette*, Aug. 27, 1947, p. 3). See also *Canada Year Book*, 1947, p. 1107.

[100] War Assets Corporation, *Second Annual Report*, April 1, 1945—March 31, 1946, pp. 5-9, 17-18; cf. *Third Annual Report*, April 1, 1946—March 31, 1947, pp. 22-23.

In the case of the smaller and more recently created Central Mortgage and Housing Corporation, a much simpler plan was evolved under the direction of the Supervisor of Personnel Division, one of the few trained personnel officers in the public service. His responsibility was directly to the secretary of the corporation. With permanent employees to deal with, plans could be more long-range and less hurried; procedures could be more simplified; and personnel dealings could be more personal and individualized. The chief problem has been that of integrating the personnel affairs of the Central Mortgage and Housing Corporation with those of Wartime Housing, Ltd., and in restoring some semblance of order in Wartime Housing, Ltd., whose records and practices had been haphazard in the extreme. Considering the differences in the nature and magnitude of their tasks, the personnel work of both of these crown corporations has been generally handled in an effective fashion.

The future of the crown companies has been a subject of continued partisan discussion and controversy. The C.C.F. policy in both the Dominion and in the provinces has been to look with favor on the extension of public control through the use of crown companies. Organized labor, though not pleased with labor's role in the wartime crown companies, has taken a similar point of view.

Many of their former officials now attribute the remarkable record of the crown companies to such factors as the wartime drives, the advantages of lack of taxation and competition, the low salary levels for the higher officials, and other considerations. The wartime situation was unique, these officials usually declare, and the wartime performance does not prove that the crown companies are either effective or desirable during peacetime. This point of view is strongly reflected in the ranks of the Canadian Chamber of Commerce and the Canadian Manufacturers' Association. It also finds expression in the platform of the Progressive Conservative Party.[101]

The policy of the Government was clearly stated by Reconstruction Minister Howe in 1946.[102] That policy has been to liquidate the wartime crown companies with the exception of a few considered to be vital. These few have been assuming added characteristics of prewar crown corporations. In so doing there has been some narrowing of the difference between the rights and obligations of their employees and those of employees in the classified public service. The development of crown companies and corporations has been both recent and rapid. Their evolution in the future will determine the status of an important segment of the public employees in Canada.

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[101] "We oppose the use by the Government of Crown Companies which are frequently in competition with individual citizens, are not subject to adequate parliamentary control, pay no federal, provincial or municipal taxes, and build up a privileged class of government employees as distinct from the Civil Service" (Montreal *Gazette*, June 16, 1947, p. 3). The Ottawa *Evening Citizen*, March 31, 1947, p. 4, contains the Resolutions adopted by the Progressive Conservative Association of Canada. Note particularly the criticisms of crown companies in Commons, *Debates*, July 2, 1947, pp. 5046 ff.

[102] Commons, *Debates*, May 14, 1946, pp. 1512-1513.

·VIII·

The Provincial Civil Servants

THERE ARE TWO main groups of provincial employees in Canada, those of the commercial and trading enterprises, and those who are normally employed in the regular governmental departments and who are popularly designated as "civil servants." In addition there are the public-school teachers. The teachers are selected and removed by local authorities, and they are regularly classified as local rather than as provincial employees. Nevertheless, the rapidly growing degree of direct and indirect provincial control over them justifies their inclusion in a discussion of provincial employees.

These three groups of employees have a number of legal characteristics in common. At the same time there are substantial differences among them, including differentiations in the types of employment and control agencies, variations in the employment conditions, and divergencies in the legal relationships existing between the employee and the provincial government.

In considering the provincial "civil servants," an effort will be made to outline the main features rather than the details of the systems and to point out the chief trends during the war and post-hostilities periods. These developments have by no means been revolutionary, for they have reflected the long history and gradual growth of the activities of the provincial governments.[1] Nevertheless, the rapid industrialization of Canada after 1939, the heavy concentration of industry in certain provinces, the population shifts which were occasioned thereby, and the steps taken for postwar provincial reconstruction have all had a special influence on the status of these public employees and on the conditions of public employment in the provinces.

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[1] J. A. Corry, *The Growth of Government Activities since Confederation* (Ottawa, 1939).

EMPLOYMENT STATISTICS

There is a striking lack of statistical information on provincial public employment. One difficulty in compiling this information has been the absence of any uniformity in the terminology which is used. Regarding the employees who are classed as civil servants, the provincial statutes vary widely in their coverage. Some of them are by no means clear, and others are plainly inconsistent. Certain provinces have enacted statutes regulating the "civil service," while others have acts which regulate the "public service."[2] These enactments do not refer to civil servants except rarely,[3] but rather use such terminology as "employee of the civil service" as in New Brunswick, "fonctionnaires et employés" as in Quebec, or "person employed in the public service" as in Saskatchewan. Most of the provinces exclude employees of the Workmen's Compensation Boards and of the various commercial enterprises from the operation of their civil service or public service acts. Otherwise there is little uniformity in matters of inclusion and exclusion. The results may be seen by comparing the situation in Nova Scotia, where only about 40 per cent of the provincial employees came under the Civil Service Act in 1946, with that in British Columbia and Saskatchewan, where a much larger percentage of the provincial employees were covered.

Though not as clearly drawn as in the federal service, the distinction between full-time permanent and temporary civil servants is usually recognized in the provinces. A large percentage of the temporary employees are those who are serving the probationary period required for permanent employment, but there are in addition such groups as the "continuous temporaries" (persons who entered the service over specified ages, married women, etc.) in Ontario. The difference in the status of permanent and temporary employees in the provinces is less significant than in the federal service and usually is based upon eligibility for participation in the provincial superannuation or pension system. Besides the temporary employees, there are a varying number of casual employees, who are wage earners paid by the day or hour and whose work is part time or seasonal in character. The clearest distinctions between different categories of public employees were drawn in Saskatchewan in 1946-1947, where a statutory differentiation between the classified and unclassified service is recognized. In the former, the Public Service Commission distinguishes between the five categories of temporary, probationary, permanent, provisional, and trainee employees.[4]

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[2] With certain exclusions, the "civil service" in British Columbia "includes all persons employed and holding office at the pleasure of the Crown in or under the several departments, branches, and institutions of the Executive Government of the Province who are appointed to office by the Civil Service Commission upon conditions prescribed in the Act . . ." (*Statutes of British Columbia*, 1945, c. 11, sec. 2). The "public service" in Saskatchewan "means the service of His Majesty in respect to the executive government of Saskatchewan, and includes all persons employed or holding office under any agency other than those in the employ of crown corporations, the Department of Telephones and Telegraphs, the Saskatchewan Power Commission, the Liquor Board and the Workmen's Compensation Board" (*Statutes of Saskatchewan*, 1947, c. 4, sec. 2[15]).

[3] Ontario furnishes one of the exceptions. A clear distinction is now drawn in that province between a "civil servant" and "employee" under the Public Service Act of 1947. See Art. 1(c), (f).

A second and more important difficulty in obtaining adequate data on provincial employment can be attributed to the lack of provincial records. The reports of central pay officers and provincial auditors may cover only part of the provincial employees or cover them in such a way that little personnel information can be obtained. In certain cases data are available for recent but not for earlier years. The records may not distinguish between permanent and casual employees, full-time and part-time employees, or between salaried, day-rate and hourly-rate employees. In rare instances, as in the case of Quebec, the serious inadequacy of the personnel data is coupled with a reticence about making the existing records available. As the dates for the opening of the fiscal year in several of the provinces differ from those in the remaining ones, it is almost out of the question to obtain personnel information in all provinces for comparable dates. Finally, in all cases where statistical information is furnished on request, its accuracy must of necessity be accepted on faith.

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[4] Public Service Commission, *Manual of Procedures in the Public Service* (mimeographed, June 26, 1947), p. 28.

The gaps in the available statistical compilations have been brought to the attention of the Dominion-Provincial Conference on Provincial Financial Statistics, which has taken some steps to provide more adequate reporting on provincial public employees. In 1943 the Second Dominion-Provincial Conference set up a Continuing Committee. This committee, which reported in 1945 to the Third Dominion-Provincial Conference, recommended that the Dominion Bureau of Statistics arrange for quarterly reports on provincial public employment.[5] The Third Dominion-Provincial Conference on Provincial Financial Statistics also left the problem of collecting "information as to the numbers and salaries of persons employed by provincial governments and agencies" in the lap of the Dominion Bureau of Statistics. Some exploratory steps were taken by the Dominion Bureau to deal with the situation.[6] Early in 1947 its officials had the tentative forms prepared and some plans under way to provide ultimately for the comprehensive reporting on provincial employees.[7]

In the table below, an effort has been made to present a rough approximation of the number of full-time salaried employees of the provinces at various dates in 1946. Members of provincial police forces and Workmen's Compensation Boards have been included. An attempt has been made to exclude the employees of all provincial commercial enterprises (including power, telephone, liquor control, crown corporations, and railway employees), public-school teachers, provincial university staffs,[8] and casual employees. The figures are as follows:

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[5] *Report* (Letter of Transmittal of Sept. 15, 1945), p. 11.

[6] *Report* (Foreword of June 29, 1946), pp. 8, 13.

[7] For statistical purposes, the chief of the Public Finance Branch of the Bureau calculated that in 1945 there were 156 organized administrative units of a basic sort, including 86 service departments. There were also 173 boards, commissions, and "special funds" (nearly all of which had some personnel attached), including 78 hospitals, sanatoriums, corrective institutions, and provincial universities and institutions of higher learning. Note the remarks of officials in the Bureau in *Minutes of Meeting, Statistics Study Group of D.B.S.*, Nov. 13, 1945, pp. 3 ff., on some of the problems involved.

[8] The academic and nonacademic members of the staffs of provincial universities and institutions of higher learning have, despite their importance, been omitted from discussion in the following chapters.

PROVINCIAL CIVIL SERVANTS

	1946		*1946*
Quebec[9]	11,000	New Brunswick[14]	1,700
Saskatchewan[10]	3,889	Ontario[15]	10,100
Prince Edward Island[11]	200	Alberta[16]	4,672
British Columbia[12]	4,692	Manitoba[17]	2,628
Nova Scotia[13]	2,100	Total	40,981

The figures suggest a higher degree of full-time employment than might have been indicated by the admittedly incomplete census figures of 1941 of the Dominion Bureau of Statistics.[18] Comparable figures from six of the provinces, including Ontario but excluding Quebec, indicate a growth of approximately 28 per cent in the number of provincial employees between 1939 and 1946. Most of this increase took place after 1943, and especially during 1945-1946, when veterans began to return to their former positions. The habit in most of the provinces to retain the wartime substitutes has been one factor in the numerical increase, which has been accelerated in 1947, especially in those services curtailed after 1939. In fact, the rate of increase since 1947 for certain types of employment was restricted largely by the inability to find necessary personnel. As was to be expected, the rate of turnover was very high in all of the provinces, particularly in the lower clerical and stenographic grades.

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[9] The figures given are based on estimates, in the absence of available records. The late J. M. Delfausse, then President of the Association des Employés Civils and head of the Administrative Division of the Civil Service Commission, and other officials estimated in 1946 that there were 14,000 provincial employees (including the Liquor Commission), of which 2,000-2,500 were part-time or casual. Approximately 6,000 of these 14,000 employees were in Quebec City. This subject, especially the number of new appointments, has been a matter of violent political controversy between former Premier Godbout and Premier Duplessis. Godbout, Liberal Premier from 1939 to 1944, was quoted as saying that the Duplessis Government had "named" 2,160 new employees from 1936 to 1939, whereas his succeeding Liberal Government had "named" only 647. Duplessis, in reply, charged that the Godbout Government had "engaged" 4,644 persons and "re-engaged" 616 others from Nov. 8, 1939, to Feb. 18, 1943. See the Montreal *Gazette*, Nov. 4, 1944, p. 23. The Duplessis Government made a smaller number of dismissals after 1944 than it did after 1936, but it created an indeterminate number of new posts for National Union adherents.

[10] Communication as of Oct. 2, 1946, from William P. Turner, Secretary and Executive Assistant of the Public Service Commission of Saskatchewan; cf. Saskatchewan *News*, July 29, 1946, p. 2.

[11] Communication as of July 11, 1945, from C. J. Stewart, Acting Deputy Provincial Secretary of Prince Edward Island.

[12] Communication as of Nov. 8, 1946, from the Chief Personnel Officer of the Civil Service Commission of British Columbia and other sources.

[13] Based on data as of Sept. 13, 1946, and Nov. 29, 1946, from L. E. Peverill, Provincial Auditor and Civil Service Commissioner of Nova Scotia, and other sources.

[14] Information as of Sept. 9, 1946, from E. Allison Mackay, Chairman of the Civil Service Commission of New Brunswick, and other sources.

[15] Information as of Dec. 10, 1946, from C. J. Foster, Civil Service Commissioner of Ontario, and other sources.

[16] Information as of Aug. 4, 1947, from M. W. Robertson, Director of Personnel in Alberta, and other sources.

[17] Information from M. B. Newton and J. S. Anderson, Classification Officers, and C. Rice-Jones, Civil Service Commissioner, of Manitoba.

[18] In 1941, a total of 23,377 provincial employees was listed (Dominion Bureau of Statistics, *Occupations:* No. 0-4, 1941, pp. 8-9). For an earlier comparison based upon the equally incomplete 1931 census figures, see Sir Robert L.

In addition to the full-time employees listed above there was an *average* of from 8,000 to 12,000 casual employees on the payrolls every month in the provinces in 1946.[19] The great majority of these casuals were to be found in the departments and agencies dealing with highways, public works, mines, and forests. The largest single group consisted of seasonal employees on the public roads. In the province of Ontario, where there was an average of over 4,000 casuals on the monthly payrolls for 1946, more than 90 per cent were employed by two departments: the Department of Highways and the Department of Mines and Forests. The employment of casuals was increasing rapidly in most provinces in 1947, the rate of increase depending on such factors as their availability and an unwillingness to compete unduly with private employers. While the casual employees will not be discussed in the following pages, their importance in determining the extent of provincial public employment cannot be ignored. Counting both the full-time salaried employees and the casuals,

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Borden, *Problem of an Efficient Civil Service* (Ottawa, 1931), pp. 19-23; and for a highly inaccurate estimate of the extent of provincial employment in 1938, note the Montreal Junior Board of Trade, *Report of the Committee on the Civil Service in Canada* (Montreal, 1938), p. 21.

[19] In terms of monthly employment records for the highest and lowest points for the year, the *averages* would indicate over 12,000 casuals. If the figures were based on man-hours, the *averages* would probably not be over 8,000-9,000 casuals.

there were approximately 50,000 employees of the provinces in 1946.

THE CONTROL AGENCIES

Except for somewhat different nomenclature, the control agencies found in the provinces correspond in most respects to those in the Dominion. The chart on page 181 will indicate the general organization in Ontario in 1947.

The provincial legislature, in which the final authority over the public service rests, has exercised its powers, except possibly in Prince Edward Island, by passing general civil service or public service acts. These acts, often a variety of them, provide the legal framework within which provincial controls are exercised. Beyond this type of activity, there is little evidence of particular legislative interest since 1939 in the public service. There have been no special committee investigations of note, and, in fact, appropriations have been authorized for only one Royal Commission which concerned itself to any degree with the provincial public service. This commission was created in Nova Scotia and made its excellent report to a not entirely happy Government in 1944. The returns to orders in the legislatures are numerous, but they have usually been answers to specific questions of no great importance.

The specifically delegated and broad discretionary powers of the Lieutenant-Governor in Council include those of allowing exemptions from the operation of the civil service and public service acts, a general supervisory power over the public service, and many specific powers ranging from the appointment through the dismissal of the employees. The ministers of the departments, particularly in the smaller provincial departments, play a more direct role than in the Dominion in handling personnel matters.

Under the minister's direction the deputy minister or his equivalent usually serves as the chief personnel officer. The deputy minister's position is normally recognized as a permanent one,[20] and in British Columbia he is specifically classed

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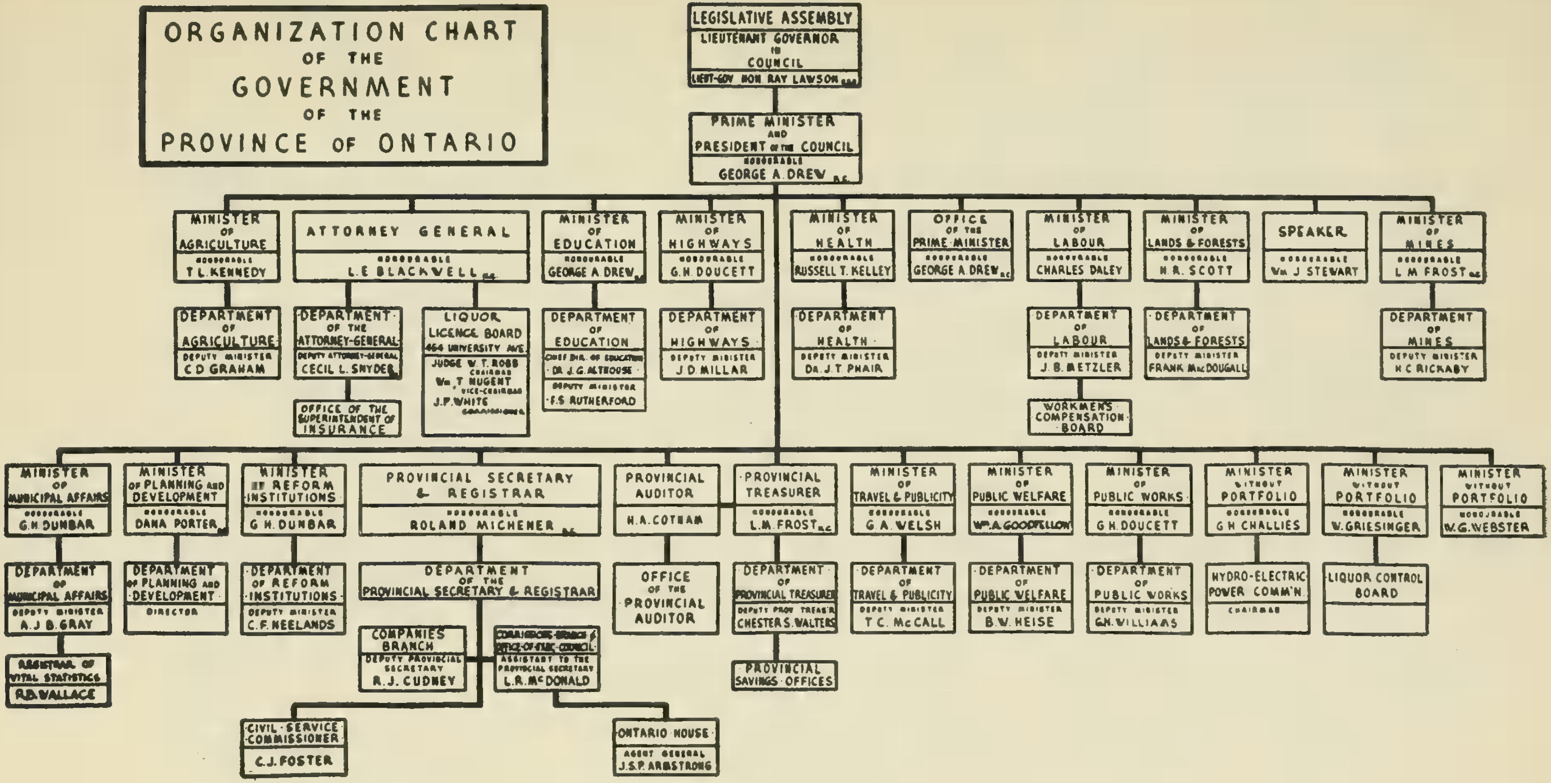
[20] In Quebec the Civil Service Act of 1943 provided that "deputy-Ministers and permanent, temporary or supernumerary functionaries cannot be removed or dismissed except upon the written recommendation of the [Civil Service] Com-

ORGANIZATION CHART OF THE GOVERNMENT OF THE PROVINCE OF ONTARIO


LEGISLATIVE ASSEMBLY
LIEUTENANT GOVERNOR IN COUNCIL
LIEUT-GOV. HON. RAY LAWSON
PRIME MINISTER AND PRESIDENT OF THE COUNCIL
HONOURABLE GEORGE A. DREW K.C.
MINISTER OF AGRICULTURE
HONOURABLE T. L. KENNEDY
DEPARTMENT OF AGRICULTURE
DEPUTY MINISTER C. D. GRAHAM
ATTORNEY GENERAL
HONOURABLE L. E. BLACKWELL K.C.
DEPARTMENT OF THE ATTORNEY-GENERAL
DEPUTY ATTORNEY-GENERAL CECIL L. SNYDER
OFFICE OF THE SUPERINTENDENT OF INSURANCE
LIQUOR LICENCE BOARD
464 UNIVERSITY AVE.
JUDGE W. T. ROBB CHAIRMAN
Wm. T. NUGENT VICE-CHAIRMAN
J. P. WHITE COMMISSIONER
MINISTER OF EDUCATION
HONOURABLE GEORGE A. DREW K.C.
DEPARTMENT OF EDUCATION
CHIEF DIR. OF EDUCATION DR. J. G. ALTHOUSE
DEPUTY MINISTER F. S. RUTHERFORD
MINISTER OF HIGHWAYS
HONOURABLE G. H. DOUCETT
DEPARTMENT OF HIGHWAYS
DEPUTY MINISTER J. D. MILLAR
MINISTER OF HEALTH
HONOURABLE RUSSELL T. KELLEY
DEPARTMENT OF HEALTH
DEPUTY MINISTER DR. J. T. PHAIR
OFFICE OF THE PRIME MINISTER
HONOURABLE GEORGE A. DREW K.C.
MINISTER OF LABOUR
HONOURABLE CHARLES DALEY
DEPARTMENT OF LABOUR
DEPUTY MINISTER J. B. METZLER
WORKMENS COMPENSATION BOARD
MINISTER OF LANDS & FORESTS
HONOURABLE H. R. SCOTT
DEPARTMENT OF LANDS & FORESTS
DEPUTY MINISTER FRANK MacDOUGALL
SPEAKER
HONOURABLE Wm. J. STEWART
MINISTER OF MINES
HONOURABLE L. M. FROST K.C.
DEPARTMENT OF MINES
DEPUTY MINISTER H. C. RICKABY
MINISTER OF MUNICIPAL AFFAIRS
HONOURABLE G. H. DUNBAR
DEPARTMENT OF MUNICIPAL AFFAIRS
DEPUTY MINISTER A. J. B. GRAY
REGISTRAR OF VITAL STATISTICS
R. D. WALLACE
MINISTER OF PLANNING AND DEVELOPMENT
HONOURABLE DANA PORTER K.C.
DEPARTMENT OF PLANNING AND DEVELOPMENT
DIRECTOR
MINISTER OF REFORM INSTITUTIONS
HONOURABLE G. H. DUNBAR
DEPARTMENT OF REFORM INSTITUTIONS
DEPUTY MINISTER C. F. NEELANDS
PROVINCIAL SECRETARY & REGISTRAR
HONOURABLE ROLAND MICHENER K.C.
DEPARTMENT OF THE PROVINCIAL SECRETARY & REGISTRAR
COMPANIES BRANCH
DEPUTY PROVINCIAL SECRETARY R. J. CUDNEY
COMMISSIONS BRANCH & OFFICE OF THE COUNCIL
ASSISTANT TO THE PROVINCIAL SECRETARY L. R. McDONALD
CIVIL SERVICE COMMISSIONER
C. J. FOSTER
ONTARIO HOUSE
AGENT GENERAL J. S. P. ARMSTRONG
PROVINCIAL AUDITOR
H. A. COTNAM
OFFICE OF THE PROVINCIAL AUDITOR
PROVINCIAL TREASURER
HONOURABLE L. M. FROST K.C.
DEPARTMENT OF PROVINCIAL TREASURER
DEPUTY PROV. TREAS'R CHESTER S. WALTERS
PROVINCIAL SAVINGS OFFICES
MINISTER OF TRAVEL & PUBLICITY
HONOURABLE G. A. WELSH
DEPARTMENT OF TRAVEL & PUBLICITY
DEPUTY MINISTER T. C. McCALL
MINISTER OF PUBLIC WELFARE
HONOURABLE Wm. A. GOODFELLOW
DEPARTMENT OF PUBLIC WELFARE
DEPUTY MINISTER B. W. HEISE
MINISTER OF PUBLIC WORKS
HONOURABLE G. H. DOUCETT
DEPARTMENT OF PUBLIC WORKS
DEPUTY MINISTER G. H. WILLIAMS
MINISTER WITHOUT PORTFOLIO
HONOURABLE G. H. CHALLIES
HYDRO-ELECTRIC POWER COMM'N
CHAIRMAN
MINISTER WITHOUT PORTFOLIO
HONOURABLE W. GRIESINGER
LIQUOR CONTROL BOARD
MINISTER WITHOUT PORTFOLIO
HONOURABLE W. G. WEBSTER

as a "civil servant" under the Civil Service Act. The tradition of permanence has generally held, though many provincial deputy ministers have been appointed as political favors. Dismissals or enforced retirements of deputy ministers on political grounds, as occurred in Ontario after the Liberal victory in 1934, in Alberta after the Social Credit victory in 1935, and to a lesser extent in Saskatchewan after the C.C.F. victory in 1944, have been the exceptions rather than the rule.

The position of the deputy ministers assumes special importance in a province such as New Brunswick, where there was no full-time minister excepting the Premier at the head of a department in 1946. Regular personnel officers below the deputy ministers in the departments of every province are rarely to be found, excepting clerical officials who keep the minimum of legally required personnel records. It follows that personnel matters would be quite differently handled in the various departments of a single provincial government, and the highly departmentalized character of the provincial services serves to emphasize the importance of the co-ordinating role played by the Cabinets and to a lesser extent by other agencies, including the Civil Service Commissions.

The chief development involving the departmental structures since 1939 has been the creation of new types of functional departments dealing with such matters as planning, reconstruction, publicity, and even travel.[21] Headed frequently by the "go-getter" type of minister and deputy minister in whom a zeal for the party and for the future of the province reaches at times a fever pitch, these newer departments have not resulted in new and improved administrative procedures. Whether it be the Department of Industry and Publicity in Nova Scotia or the Department of Natural Resources and Industrial Development in Saskatchewan, these developmental

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mission" (*Statutes of Quebec*, 1943, c. 9, sec. 40, as amended). In Saskatchewan " 'permanent head' (of a department) means and includes deputy ministers . . ." (*Statutes of Saskatchewan*, 1947, c. 4, sec. 2[12]).

[21] Ontario established in 1946 a Department of Travel and Publicity, and then laid claim to being the only province with a whole department devoted exclusively to the "travel industry." See *Legislature of Ontario Debates*, March 7, 1947, p. 19.

departments have furnished the Civil Service or Public Service Commissions with some of their most difficult problems.

Most of the provinces provide by statute, usually the "Audit Act," for a Treasury Board. With an occasional exception this board is composed of three members, the Minister of Finance or Provincial Treasurer usually being designated as its chairman. In the exceptional case of Alberta, the Treasury Board has the same composition as the Executive Council to which it reports. The Treasury Board does not, in fact, meet in British Columbia; it meets possibly once a year in Manitoba, and its functions in all but name are exercised by the Provincial Treasurer in Saskatchewan. Where the Treasury Board functions, as in Ontario, it concerns itself with broad fiscal questions or with appeals from the decisions of the Provincial Auditor. In none of the provinces has the Treasury Board assumed control and exercised powers over the provincial personnel comparable to that of the Treasury Board in Ottawa.

A special development in one province might be mentioned. A Budget Bureau was created in Saskatchewan in 1947. It is responsible to the Economic Advisory and Planning Board, whose composition makes it in turn a special type of subordinate committee of the Executive Council. The Budget Bureau is authorized to pass upon both the availability of funds and the "need" for requested new positions in the public service. Though the extent of these powers has not been fully explored as yet, their potentiality could make of the Budget Bureau a provincial counterpart to the Treasury Board in the Dominion.

Each of the provinces except Prince Edward Island has either a civil service or public service commission. The history of these commissions dates back to the early years of this century when civil service boards or commissioners with quite limited jurisdiction were provided in at least one province and permitted in others.[22] The first of the commissions now in operation was provided in British Columbia (1917).[23] This was followed by Ontario,[24] Manitoba,[25] and Alberta[26] (all in 1918), Saskatchewan[27] (1930), Nova Scotia[28] (1935), and Quebec[29] and New Brunswick[30] (both in 1943).

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[22] See Civil Service Act of 1909 of British Columbia (*Statutes of British Columbia*, 1909 c. 39); also *Revised Statutes of Quebec*, 1909, pars. 660-668; *Revised Statutes of Manitoba*, 1913, c. 33; *Statutes of Saskatchewan*, 1913, c. 6.

[23] *Statutes of British Columbia*, 1917, c. 9.

The commissions consisted in 1946 of either one member, as in Ontario, Nova Scotia, and Manitoba; or of three members, as in New Brunswick. Certain of the provincial statutes leave the number of members discretionary with the Lieutenant-Governor in Council, as in Quebec, which switched from a three-member commission in 1943 to a one-member commission after the change in governments in 1944. The Civil Service Commission of British Columbia, on the other hand, consisted of one member when originally created; but the new Civil Service Act of 1945 provides for a three-member commission.[31] In Saskatchewan the previously existing single-member commission was replaced by a three-member commission in 1947.[32] In Alberta a three-member commission with functions to be allocated by the Lieutenant-Governor in Council was also established in 1947, but the duties of the previous Civil Service Commissioner were bestowed on the newly created Director of Personnel.[33]

The commissioners are appointed "during pleasure" or "good behaviour" in most of the provinces, though a six-year term was specified in 1947 in Saskatchewan. Attempts to provide some independence for the commission may be recognized in the statutory provisions in New Brunswick and Manitoba, where removal by the Lieutenant-Governor in Council must be preceded by an address of two thirds of the Legislature. To judge by the experience of Quebec, however, the value of these provisions designed to guarantee commission independence is questionable. Under the Quebec Civil Service Act of 1943, the members of the Commission created by that act could be removed only "on an address of the Legislative Council and of the Legislative Assembly."[34] Despite these provisions a hint from newly elected Premier Duplessis to Chairman La Fontaine and his two colleagues on the Commission was sufficient to cause their resignations. The power over the purse and the power to recommend amendments to legislation could hardly be opposed by any provincial commission.

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[24] *Statutes of Ontario*, 1918, c. 5.

[25] *Statutes of Manitoba*, 1918, c. 13. Some interesting comments on the situation in Manitoba prior to 1918 may be found in the (Dominion) Commission of Conservation, "Report of the Committee on Forests, 1916" (typewritten copy to Premier of Manitoba), pp. 13-14.

[26] *Statutes of Alberta*, 1918, c. 16.

[27] *Statutes of Saskatchewan*, 1929-1930, c. 7.

[28] *Nova Scotia Laws*, 1935, c. 8.

[29] *Statutes of Quebec*, 1943, c. 9.

[30] *Acts of New Brunswick*, 1943, c. 35.

[31] *Statutes of British Columbia*, 1945 c. 11, sec. 3. This Commission, created by the Civil Service Act of 1945, is unique in Canada in that it must consist of "senior Civil Servants . . . who have served not less than fifteen years in the Civil Service." In July, 1947, the three members were all deputy ministers of departments.

[32] *Statutes of Saskatchewan*, 1947, c. 4, secs. 3-4.

[33] *Statutes of Alberta*, 1947, c. 6, sec. 12.

On the basis of their statutory powers, the existing commissions in Canada range from weak to strong. The Commission in Ontario, where few additions have been made to the original grant of power in 1918,[35] has been limited largely to functions of advising, investigating, and recommending. In Alberta the powers of the Civil Service Commissioner prior to 1947 and of the Director of Personnel subsequently have also been heavily restricted.[36] The powers of the Commission in Manitoba went somewhat beyond those of the Commissions in Ontario and Alberta.[37] The strong commissions include those whose powers have been closely modeled upon the ones possessed by the Dominion Civil Service Commission. These provinces are Nova Scotia,[38] New Brunswick,[39] and Quebec.[40] As a result of the Civil Service Act of 1945 in British Columbia[41] and the Public Service Act of 1947 in Saskatchewan,[42] these two provinces have also provided for strong commissions.

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[34] Sec. 7.

[35] *Revised Statutes of Ontario*, 1927, c. 16; 1937, c. 15.

[36] *Revised Statutes of Alberta*, 1922, c. 9, and 1942, c. 32; *Statutes of Alberta*, 1947, c. 6.

[37] After 1945 the functions of reclassification and preparation of a new pay plan were dealt with by statutory provision and later orders in council (*Statutes of Manitoba*, 1945, 1st Sess., c. 6). This statutory amendment provided that the Lieutenant-Governor in Council, regardless of provisions in previous civil service legislation, could appoint and promote, reclassify positions, and grant salary increases. Orders in council were later issued authorizing the appointment of classification officers to draw up new classifications and empowering the Civil Service Assembly to prepare a new pay plan. See especially O/C 740/47 and 825/47 for action taken.

[38] *Nova Scotia Laws*, 1935, c. 8.

[39] *Acts of New Brunswick*, 1943, c. 35.

[40] *Statutes of Quebec*, 1943, c. 9.

The provinces from Ontario east have with one exception provided for a one-member commission. In the case of New Brunswick, which has a three-member commission, the actual work of the Commission has been in fact performed by its chairman. The merits of the single-member commission have been stressed in these provinces. Said Commissioner Foster of Ontario at a meeting in May, 1947:

> It was suggested that this discussion might touch on the relative values of a single or multiple Commission. Being a single Commissioner, as you may have surmised, I am too prejudiced to supply an answer. I will say this: as personnel director I apply the rules and regulations and as Commissioner I recommend policies to the Government. After many years of discussion with myself I am on the way to achieving a certain degree of unanimity. This I believe is not always true of multiple commissions.

However, statutory provision was made several months later for a "multiple commission" of not over three members. The two additional posts which could be created had not been filled by the summer of 1948.

In the provinces to the west of Ontario the tendency has been to replace a single-member commissioner by a commission of three members.[43] In these changes there has been little discussion of the relative merits of a single- and multiple-member body, and special considerations appear to have played an important part in each change. In Alberta, to cite one case, the new triple-member commission of 1947 provided the Government with an opportunity to meet the requests of the Civil Service Association for representation on a commission. In other cases the three-member group offered a means of clipping the wings without forcing the removal of an undesired single commissioner.

As previously pointed out, Alberta provided for a Commission with limited powers and a Director of Personnel who assumed the functions of the Civil Service Commissioner. In British Columbia, where a Director of Personnel had been previously provided in 1945, the relations between this official and the Civil Service Commission are different from those in Alberta. The statutory powers of the Commission are far more extensive in British Columbia, and while most of the administrative work is performed by the Director of Personnel, he acts as an agent of the Commission—even though he is appointed and removed by the Lieutenant-Governor in Council. The three members of the Commission in British Columbia were in 1947 also deputy ministers of departments, and, in overriding occasional decisions of the Personnel Director, the Commission has acted on instructions from the Government.

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[41] *Statutes of British Columbia*, 1945, c. 11.

[42] *Statutes of Saskatchewan*, 1947, c. 4.

[43] In Manitoba the single commissioner was replaced in 1948 by a three-member commission. *Statutes of Manitoba*, 1948, c. 11, sec. 4.

A noticeable characteristic of the commissions in the provinces to the east of Ontario has been a reduction of their paper powers[44] to almost a nullity. The war was responsible for a decline in the role of the commissions in these, as well as the other provinces, for the manpower shortage in all sectors meant that the recruiting functions of the commissions were reduced to the application of minimum rather than of competitive standards. In other words, the war had the effect both of altering and of reducing the powers of recruitment and selection of the commissions.

There have been other developments which have made the statutory provisions a poor basis for evaluating the status of the commissions. In New Brunswick, by way of example, the Civil Service Act was copied during the war in a completely uncritical fashion from the Civil Service Act of the Dominion. Despite the breadth of duties imposed on the Commission, the appropriation for "civil service administration" was only $5,762.10 in 1945.[45] Other provinces have also felt the inadequacy of financial provision and of staff to perform the functions legally required of them.

The character of the personnel of the commissions and the nature of other positions held by the commissioners affect their status. In two of the Maritime Provinces, the single commissioners themselves occupy the positions of civil servants, positions which may not permit the degree of independence necessary for effective work. In New Brunswick the Chairman of the Civil Service Commission was in 1946 also serving as Clerk of the Legislative Assembly. In Nova Scotia the Provincial Auditor was appointed to serve as Civil Service Commissioner in August, 1946. In addition to the dual role provided by these two offices, the newly appointed Commissioner was also the representative of the Province in Dominion-Provincial tax discussions. The new appointee replaced the Commissioner, who had served in Nova Scotia since the creation of the Commission in 1935. Referring in 1944 to the work of this original commissioner, Professor R. MacGregor Dawson commented: "Instead of appointing a full-time man on a substantial salary, it chose a part-time man on a pittance. It is apparently getting exactly what it is paying for."[46]

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[44] See the careful examination of the provincial statutes in Theodore Kraft, "The Civil Service in the Canadian Provinces," *Public Personnel Review,* IV (Oct., 1944), 199-205.

[45] *Estimated Income and Expenditure* (1946), p. 6.

Political considerations have converted some commissions into blinds for the spoilsmen. In Quebec, J.-Ernest Laforce, a retired employee of the Canadian Pacific Railway, was appointed Chairman of the Commission in 1944; and by September, 1946, the Chairman had assembled a staff of thirty employees. The caution with which this excessive staff was pursuing its duties in 1946 indicated that it had fallen one of the chief victims of Premier Duplessis's special brand of interest in civil service matters. By December, 1946, the work on reclassification which had been placed in the hands of a commission of three members under the chairmanship of the Civil Service Commissioner was proceeding at a leisurely pace. Some "pass" examinations were being given by the examination division to prospective clerical and stenographic employees who had usually been favorably "recommended" to the Commission; and there had been no requests up to September, 1946, for commission assistance to make proposals for departmental reorganizations. "We are just at the beginning," the Commissioner sagely and correctly observed at that time.

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[46] *Report on the Civil Service*, No. XVIII of the Royal Commission on Provincial Development and Rehabilitation (Halifax, 1944), p. 12. Cf. the comments in H. D. Woods, "The Dawson Report on Nova Scotia," *Canadian Journal of Economics and Political Science*, XII (Nov. 1946), 503-504.

Political pressures have been present to some degree in all of the provinces. Professor Harry M. Cassidy has recently pointed out the "baneful effects of the patronage system" in public welfare and public health administration in the provinces. In his opinion it took on a "good deal less benevolent" character in Ontario than in the western provinces.[47] Drawing upon his personal experience as a former official in that province, the same writer commented on the system in British Columbia prior to the changes in 1945, as follows:

> There has been a formal civil service system since 1916, supposedly operated under an independent commission to guarantee impartial administration. But for the last ten years the act has been administered by the Superannuation Commissioner, who has had no real freedom of action, and an amendment of 1929, intended originally to validate some irregular appointments, has had the effect of breaking down almost entirely any protection against political control of the civil service which the act provided. In consequence, appointments, promotions, salary adjustments, and other personnel matters have been settled very largely by the ministers. In short, it has been a patronage system, with friends of the government being appointed to a good many posts.[48]

In addition there has been a lack of adequate statistical information for the use of the commissions. In several of the provinces material on which to base any intelligent comparisons of the salary scales of civil servants has been absent. The commissioners, it might be added, do not always desire to have these data at hand. There is a further lack of satisfactory personnel records in the separate provincial departments, a fact which complicates any reclassification work.

There has been a tendency to disregard many provisions of the civil service acts in order to expedite procedures. This process consists at times of action taken by the chairman of the commission in "arranging the papers" to validate actions where departmental heads have placed employees on the payroll before informing the commission.

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[47] *Public Health and Welfare Organization in Canada* (Toronto, 1945), pp. 271-272, 298-299, 316-317, 361-362, 390. In 1947 Professor Cassidy noted that there had been considerable personnel improvement in the public health and welfare services during the years 1945-1947 and that some of his earlier comments might be modified accordingly.

[48] *Ibid.*, p. 271.

The jurisdiction of the commissions is limited by the terms of reference of the acts under which they operate, and all of the provinces permit some exceptions from the application of the acts. The employees of the liquor control boards and commissions are an illustration of categories usually exempted.[49] In addition, a provision which permits the commission, with or without the approval of the Lieutenant-Governor in Council, to exclude positions from the operation of the Civil Service Act when "it is in the public interest"[50] may have a special explanation, but it may lead to the same results as a provision which permits the Lieutenant-Governor in Council on its own authority to make such exceptions. In either case the gates are open for political favoritism.

By way of summary, an over-all glance may be directed at the provincial commissions.[51] In view of their position in the provinces of Nova Scotia, New Brunswick, and Quebec, where strong commissions exist on paper, it is obvious that the theory of independent bodies which stand as guardians of firmly entrenched merit systems does not conform to the realities. The commissions in these provinces have played a quite unimportant role in personnel matters since their creation. They have seldom served as real checks on the spoils system, and they have been far from independent in their actions. They have, at best, been glorified clerical agencies and, at worst, façades behind which the spoilsmen could hide.

The Director of Personnel in Alberta, an untrained official who became Civil Service Commissioner in 1941, has done little damage in that province chiefly because of the limited powers of his office and the presence of several capable key departmental officials. The commissioner in Ontario has played a slightly more positive role. He has done a certain amount of positive recruitment, served as a mild check where increases and promotions have been recommended by departmental officials, and has participated in the review of reclassification activities in the province. But it is obvious that these functions, chiefly negative in character, would not make the commissioner a dominant figure in the personnel picture.

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[49] Cf. Dawson, *Report on the Civil Service*, pp. 12-13.

[50] *Acts of New Brunswick*, 1943, c. 35, sec. 34; *Statutes of Quebec*, 1945, c. 16, sec. 3a.

[51] Cf. the following comments on the status of the commissions in 1939-1947, with the general observations on their position and role in 1934 in R. MacGregor Dawson, "Memorandum on the Civil Service of Nova Scotia," *Report of the Royal Commission, Provincial Economic Inquiry* (Halifax, 1934), pp. 61-63.

The provincial commissions (and associated personnel agencies) in Saskatchewan, British Columbia, and Manitoba, occupy the most important position in the Canadian provinces, primarily as a result of developments between 1944 and 1947. The greatest strides have been made in Saskatchewan and British Columbia, where adequate staffs have been provided. Though the commissions and the directors of personnel in these two provinces had not progressed far in that direction, up to the end of 1947, they had plans under way for adding certain service functions, such as counseling and in-service training, to those of recruitment and classification. The first-rate work of the classification officers in Manitoba in 1946, coupled with the steps taken in 1948 by the Government for a reorganization of the Civil Service Commission have pointed in the same direction. In all three of these cases, however, the real test will come with the more complete implementation of the programs and when the conditions of the labor market have increased the demands for public employment.

EMPLOYMENT CONDITIONS

The civil service or public service acts have been based in the past on the assumption that the actual work in recruiting most civil servants rests in the hands of the commissions. The acts have also assumed an ever-present supply of applicants into which a waiting commission may dip to select the most eligible for nomination to the appointing power. In actual practice the initiative in the recruitment of persons for the higher-paid posts fell in most provinces into the hands of the appointing official or agency, and the commission's role was largely confined to the selection of clerical, stenographic, and lower-paid help. This limited power plus the belief that the process of recruitment would operate automatically because of an ever-present demand for positions from qualified applicants helped justify the lack of any active programs on the part of the commissions.[52] There was little advertising of positions, examinations were given at infrequent intervals (if at all), and there was no regular revision of the eligibility lists. The characterization by the Civil Service Association in Alberta of the recruitment system in that province as "more or less haphazard"[53] might well have been applied to other provinces.

The war brought about changes in these methods of recruitment. In view of the heavy demands of the armed services and of industry for manpower, the task became one of seeking out available employees with the minimum qualifications rather than of accepting them under competitive conditions. As the Civil Service Commission of New Brunswick stated the matter in its *First Annual Report* for 1943-1944: "In these times, when so many persons are engaged in work in connection with the prosecution of the war, it is more often the case of the job seeking the man, rather than the man seeking the job. The Commission has therefore in many instances found it necessary to fill vacant positions by advertising the same, and trying to select the best one from applications received."[54] In some cases the commissions frankly stated that it was "practically impossible" to adhere "strictly to the provisions of the Act" governing selection, and that selection had been made from persons not in possession of the requisite age or "minimum academic and other qualifications."[55] Women were recruited in some cases contrary "to the normal intent and spirit" of the acts. The rigidity of the acts was softened in more than one province by the administrative discretion of the nominating and appointing authorities. In Ontario, where eligible lists had been prepared through a casual interview system and without the regular use of the open competitive examinations before the war, "it was not practicable" during the war years "to develop or follow very closely any pattern to recruit staff and no so-called 'eligible' lists could be maintained for any positions."[56]

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[52] Referring to the public service in British Columbia, Professor Harry M. Cassidy observed:

"There has been no general personnel policy on the part of the provincial government designed to attract good personnel. The government has taken the attitude, by and large, that it was a privilege for anyone to have a public job, and that since there were (until the war) far more applicants than vacant positions there was no need to worry about recruiting the best possible candidates. The progressive personnel steps which have been taken have come from the efforts of individual ministers and officials, rather than from the application of any overall policy" (*Public Health and Welfare Organization in Canada*, p. 271).

[53] *Submissions Made to the Committee on Civil Service Organization and Legislation*, Oct. 30, 1945, p. 5.

[54] P. 4. Ontario has never used competitive examinations, but the civil service commissioner has kept a continuous eligible list of those passing qualifying tests or possessing requisite degrees.

In one respect the war, in encouraging more active solicitation of employees for the public service, has left a postwar heritage. Still, aside from a few specialized training programs designed to encourage applications from types of technical recruits and certain new university contacts that go beyond those previously maintained with professional schools such as forestry, law, engineering and social service, these activities are of a sporadic variety. Additional interest in better recruitment techniques has been evidenced by several of the civil service associations,[57] and Saskatchewan appointed in August, 1946, a Supervisor of Recruitment to take charge of examinations for entry into the public service.[58] On the other hand, the Civil Service Commissioner of Ontario continues to adhere to his prewar opposition to open competitive examinations except for stenographers and typists. Though justifiable for the elimination of patronage, these examinations are in his eyes "money-consuming" and "time-consuming" devices which interfere with efficient administration.

Unlike the Dominion Government, several of the provinces permitted reclassifications of all types of employees throughout the war, though usually on a restricted scale. Under the pressure of the complaints of public employees active steps were taken during the later war period to provide for more extensive reclassifications. Nova Scotia[59] and New Brunswick were not affected by the reclassification movement, though there were salary adjustments. In Alberta the statutory classification of 1918[60] was replaced in 1943, when provision was made for two main "divisions," the first to consist of deputy ministers and certain designated officials and the second to consist of all other employees.[61] Division two was then subdivided into classes and grades by an order in council based on a report of a Salary Survey Committee.[62] The classification provisions of 1924[63] in British Columbia were replaced by statutory provisions in 1945 which were based on recommendations included in the *Report of the Civil Service Committee on Reorganization.*[64] In Ontario a complete revision of the classification of 1920, as amended in 1927, went into effect in the fall of 1946.

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[55] Typewritten extracts from annual, unprinted report of Feb. 10, 1945, by William P. Turner, Acting Public Service Commissioner of Saskatchewan to the Lieutenant-Governor in Council. Civil Service Commission officials in Quebec complained of less wartime shortage of applicants than did the commissions in other provinces. An exception existed in the case of bilingual stenographers, who were in much greater wartime demand than the purely French-speaking ones.

[56] Typewritten paper of F. V. Glenney, assistant to the Ontario Civil Service Commissioner, read before Eastern Regional Meeting of Civil Service Assembly of the United States and Canada, May 5-6, 1947.

[57] Civil Service Association of Alberta, *Submissions*, pp. 4-5.

[58] Saskatchewan *News*, Aug. 5, 1946, p. 1.

In none of these three cases did the reclassifications evidence professional work. They represented rather an application of the principle of learning by doing. The Salary Survey Committee in Alberta, created in 1941 under the chairmanship of the Civil Service Commissioner,

> examined fully the report and recommendations regarding the classification of the "Civil Service of Canada," conducted by Arthur Young and Company. . . . The Committee also studied the "Law and Organization of the British Civil Service," by N. E. Mustoe, M.A., LL.B. of London, England, and the "Telford Classification Manual," published by Mr. Fred Telford, of Washington, D. C. . . . From these various reports and information, the Committee decided on a plan of procedure. . . .[65]

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[59] On the general classification conditions in Nova Scotia in 1934, see *Report of the Royal Commission, Provincial Economic Enquiry* (Halifax, 1934), *Civil Service Memorandum*, p. 45. For the provisions made in 1934, see *Statutes of Nova Scotia*, 1934, c. 8, secs. 9-13.

[60] *Revised Statutes of Alberta*, 1922, c. 9, sec. 3.

[61] *Statutes of Alberta*, 1943, c. 16, sec. 3.

[62] *Report of the Salary Survey Committee* (mimeographed and undated), pp. 4-41.

[63] *Revised Statutes of British Columbia*, 1924, c. 35.

[64] (Victoria, 1945); *Statutes of British Columbia*, 1945, c. 11.

[65] *Report*, p. 1.

A somewhat more serious study of practices in other jurisdictions was made by the Committee on Revision of the Classification of the Ontario Public Service when it began its work in 1944.[66] However, the work was largely done in a piecemeal fashion by an "evolving" committee of public officials who could not give full time to their task. The result was a considerable amount of haggling and bargaining. No outside expert assistance was secured, excepting limited advice from officials of the Dominion Civil Service Commission. No appeal procedure was provided. In British Columbia the Civil Service Committee on Reorganization's *Report*, which was implemented by the Government, was also the work of a specially appointed group of provincial officials headed by the then Civil Service Commissioner. Its work was more thoroughly done than in Ontario, but the results again violated some generally accepted principles of classification. In all of these instances there has been a failure to view the classification procedure as a continuing process. The result is that the reclassifications, although they correct some of the worst prevailing conditions despite their own inadequacies, are quickly dated.

In Quebec the old classification of 1925 with its eleven classes had remained nominally in effect to 1947. This system had become so obsolete that over one fourth of the permanent employees of the province were in Class G, a catch-all class which included some of the lowest- and some of the highest-salaried positions of the province. In other words, Class G included all those positions which did not fit or which the Government did not want to fit into the 1925 classifications. A Classification Committee was appointed in 1945 under the chairmanship of the Civil Service Commissioner, and working at its leisurely pace this committee had by September, 1946, begun collecting information through questionnaires from the employees and supervisors of certain departments.[67] Owing to pressure from some of the more politically active departmental officials, this process of collecting information through questionnaires was suddenly terminated not long thereafter under orders from Premier Duplessis. Employee data were consequently never secured from a number of them. The basis on which the Classification Committee operated subsequently was shrouded in secrecy, though not entirely in mystery.[68] In any case, the early stages of the work of this committee indicated that it would not cause Premier Duplessis to discard Class G in haste.[69]

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[66] The *formal* procedure has been outlined in George B. Lyons, "Classification and Pay for the Public Service" (typewritten paper read before Eastern Regional Meeting of Civil Service Assembly of the United States and Canada, May 5-6, 1947), especially pp. 1, 3.

[67] On salaries and reclassification, see *Contact*, Vol. V, No. 1 (Jan., 1946), pp. 8-9; Vol. V, No. 8 (Aug., 1946), pp. 15, 17.

In the Province of Saskatchewan a reclassification resulted after an agreement between the Government and the Civil Service Association in 1945. At the insistence of the Civil Service Association the reclassification was conducted by the Public Administration Service. With some modifications, the methods and procedures outlined in the Civil Service Assembly's *Position-Classification in the Public Service* were followed. New classification and pay plans were prepared and adopted at an added cost of approximately $1,000,000 to the province. Ample provisions were made for appeals and for a continuous revision of the plan.[70]

The Civil Service Commissioner of Manitoba was charged in 1944 with the preparation of a new classification and pay plan for the public employees.[71] After their completion there were sharp protests from the Civil Service Association of Manitoba. Following the recommendation of a Joint Board in

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[68] On Jan. 17, 1947, after the "withdrawal of the questionnaires," the following "assurances" were given the Conseil Général des Employés de la Province:

. . . .

"2. A sufficient number of completed questionnaires have been received to enable the Committee to classify nearly all the administrative, technical, professional and clerical positions.

"3. If the Committee should require additional details it shall obtain them by means of methods to be determined as and if required" (*La Ronde d'office*, VII [Jan.-Feb., 1947], 9).

[69] For a later, and more favorable, comment on the work of the classification committee in 1948, see *ibid.*, VII (March-April, 1948), 12.

[70] *Dome*, XIX (July-Aug., 1945), 1-8; XXIV (Feb., 1949), 1-16.

[71] A review of the major developments is to be found in mimeographed "Copy of Letter Delivered to the Civil Service Association, May 8, 1947," from Charles E. Greenlay, Provincial Secretary. For the "Proposed Salary Ranges" and "Rules for Guidance of Classification Officers . . . ," see O/C 740/47 and 825/47.

June, 1945, and acting on the advice of an official from the Dominion Civil Service Commission, the Government decided upon a new survey. For purposes of classification two able classification officers were chosen. These officers, following well-recognized procedures similar to those used in Saskatchewan, prepared a new classification of the provincial employees, which was put in effect in 1947. At the same time, upon the request of the Government and the Civil Service Association, the Civil Service Assembly nominated certain of its Canadian members (officials of the Dominion Civil Service Commission) to prepare a pay plan to accompany the new classifications. The headquarters officers of the Civil Service Assembly reviewed the general form and underlying principles of the pay plan before its presentation to the Government and employees' association. The results have been to provide Manitoba and Saskatchewan with the soundest classification systems in the Canadian provinces.

In addition to the wartime and postwar salary adjustments and pay plans which have been connected with reclassification, as in Manitoba, Saskatchewan, Alberta, British Columbia, and Ontario, all the provinces made some provision between 1939 and 1946 for cost-of-living bonuses. A typical arrangement was to pay a fixed sum per month to unmarried employees and a slightly larger amount to married employees in the lower salary brackets. In Quebec, for example, an annual bonus of approximately $15 to married and $11 to unmarried employees receiving less than $2,400 annually was granted in 1941, and the ceiling was later raised to include employees receiving under $3,000.[72] The bonus arrangements in British Columbia, as of June, 1944, which were more complicated than in the average province,[73] provided for payments ranging from 18.4 per cent of compensation for single employees receiving less than $108.33 per month to $19.93 per month for all salaried employees receiving $169.99 or less. From these and other available figures it is obvious that in no province did the bonuses alone offset the rise in the cost of living, though the postwar practice to incorporate the bonuses into the regular salaries has added a note of permanence to them and will have an effect in the computation of benefits.[74]

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[72] Piecemeal increases in salaries had been granted to more than four thousand employees in specified departments and agencies in Quebec from the fall of 1946 to Sept., 1947. The majority of the employees had benefited only by the cost-of-living bonus from 1939 to the date in 1947 (*La Ronde d'office*, VII [Sept.-Oct., 1947], 6; cf. VII [Nov.-Dec., 1947], 6).

[73] See Civil Service Commission, *Memorandum to All Branch Officials of the Provincial Government*, June 9, 1944. This arrangement was almost identical with the cost-of-living bonus plan of the Dominion Government.

The following figures for average monthly salaries of provincial civil servants (total payroll, including cost-of-living bonuses, divided by total number of full-time employees) are of quite limited significance and are subject to all of the criticisms which can be directed at salary "averages." However, they will indicate some of the general trends from 1939 to 1946 in the designated provinces and the differences in the averages of one of the provinces with a low salary range and of the two provinces with the highest salary ranges.

AVERAGE MONTHLY WAGE OR SALARY

	1939	*1946*
British Columbia[75]	$140	$159
Nova Scotia[76]	93	119
Ontario[77]	139	162

Even a casual glance at these figures will indicate to what extent the increase in provincial salaries lagged behind the rise in the cost-of-living index. From these and incomplete data from other provinces it would appear that the provincial averages increased from 10 to 20 per cent between 1939 and

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[74] Among the first to take action was Quebec, as of Jan. 1, 1947. See the Montreal *Gazette*, Dec. 14, 1946, p. 3. On Ontario, see *Civil Service News*, Aug., 1946, p. 1. The incorporation in New Brunswick, announced on Dec. 21, 1946, was coupled with salary increases (Montreal *Daily Star*, Dec. 21, 1946, p. 2). Other provinces followed in 1947.

[75] Information as of Nov. 8, 1946, from Dr. Hugh M. Morrison, Chief Personnel Officer of the Civil Service Commission of British Columbia. Subsequent increases in 1946-1947 averaging about 15 per cent gave British Columbia the highest salary range by the middle of 1947.

[76] Information as of Nov. 29, 1946, from L. E. Peverill, Provincial Auditor and Civil Service Commissioner of Nova Scotia.

[77] Information as of Dec. 10, 1946, from C. J. Foster, Civil Service Commissioner of Ontario. The average annual salaries for Ontario were $1,460 in 1923, $1,600 in 1930, and $1,460 in 1936. Average salaries in 1939 were thus at about the 1930 level.

1946. As previously indicated, further increases in 1947-1948 have been marked.[78] Nevertheless, the salary increases, bonuses, and other financial adjustments have generally followed well in the wake of the rapid rise in the cost-of-living index during those years.

As a result of the revisions and changes there have been alterations in the salary ranges of the provinces. There is more similarity in the rates for the lowest clerical and stenographic classes than for the deputy ministers. In the former case the range was from $780 to $840 for beginning employees in a majority of the provinces at the end of 1946. These initial salaries often tell little, however, because it was frequently impossible to secure recruits for these amounts. This fact will explain the increase in the minima from $660 to $840 in Manitoba and from $730 to $960 in Alberta by the spring of 1947. The range in the case of deputy ministers at the end of 1946, with some variations upward in each province, ran from $5,000 in New Brunswick and Alberta, to $5,750 in Saskatchewan, to $6,000 in Nova Scotia, to $6,000 "and up" ($7,000-$8,000) in Ontario, and to $8,000 in Quebec. Some technicians in several of the provinces were receiving salaries in excess of the deputy ministers. The highest salaries paid cabinet ministers, excluding the premiers, were in Ontario, where they received $10,000.

The general working conditions involving hours, vacations, sick leave, and overtime underwent very little change after 1939, whether they were fixed by statute, order in council, or Civil Service Commission regulation. In contrast to the Dominion practice, the usual working hours from 9:00 to 5:00 (or 8:30 to 4:30) daily from Monday through Friday with time for lunch, and from 9:00 to 1:00 on Saturday, were maintained generally throughout the war. The work week was usually either 36½ or 37½ hours. An annual vacation for permanent employees, normally three weeks (or two weeks with a five-day work week in July and August), sick leave (usually eighteen days), and special types of leave were also regularly permitted without wartime restrictions. The changes in sick leave and overtime arrangements were unimportant, although some concessions were made to the employees.[79] The most controversial postwar change involved the substitution of the five-day work week for the 5½-day week. The former, coupled with a 37½-hour work week, was adopted and went into effect in Saskatchewan in April, 1947. In a plebiscite held in September, 1947, however, the clerical staff voted to return to the 5½-day week. Requests from the Civil Service Associations in Ontario and Alberta for the five-day week had been rejected by the governments of those provinces in 1947. There was also considerable agitation among public employees in Manitoba and British Columbia for its adoption.

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[78] Illustrations of increases in pay and other adjustments from 1947 to the fall of 1948 included extra annual increases in Manitoba effective on July 1, 1948, ranging up to $20 per month but providing a monthly increase of $10 for 67 per cent of the employees; basic salary increases in British Columbia as of Nov. 1, 1947, when the existing bonus policy was discontinued, ranging up to $25 monthly for those earning between $65 and $200 monthly; a flat bonus of $15 per month in August, 1948, in Ontario; and cost-of-living bonuses secured in 1948 in the Saskatchewan collective bargaining agreements which provided an additional $18 per month as of Sept., 1948 (*Minutes of the First Annual Conference of the Meeting of the Executive Committee of the Canadian Council of Provincial Employee Associations* [1948], pp. 14, 16, 19, 23). On Quebec, see Montreal *Gazette*, Feb. 12, 1949, p. 16.

During the absence of many provincial employees in war service, new and vacant positions were filled as a rule on a temporary basis. Many of these temporaries were women, older persons, or individuals who had been rejected for military service. As the Acting Public Service Commissioner of Saskatchewan reported in 1945, the common practice was not to make "permanent appointments during the war except for special and valid reasons and in the case of persons who have been honorably discharged from the Armed Forces." The Civil Service Commissioner of Manitoba reported that "in all but isolated cases positions were filled only on a temporary basis, permanent appointments being held open until after the war so that they can be filled by men with overseas service."[80] This practice was altered after 1945-1946, leaving the question of the ultimate disposition of the wartime temporaries a problem which was being handled in different ways in the provinces. Some of the temporaries were being taken into the "classified" or permanent service, others were being retained as temporaries, and few were being removed.

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[79] As in Civil Service Commission of British Columbia, *Civil Service Regulations* (Victoria, 1946).

[80] Communication as of Dec. 19, 1945, from C. Rice-Jones, Civil Service Commissioner of Manitoba.

The number of returnees among those granted leave was greater than had been originally expected during the early years of the war. According to the Civil Service Commissioner of Ontario, who had expected more returned veterans to "be looking towards new fields and wider horizons," their real quest "seems to be a safe and known haven after the turmoil of war."[81] The percentage of veterans who returned to provincial employment had ranged from 80 per cent in Ontario to 80-90 per cent in Saskatchewan and to 90 per cent in British Columbia by the end of 1946. The lowest percentage of returnees was reported for the employees of the provincial institutions (mental hospitals, etc.). In these institutions the percentage of "lay employees" returning in British Columbia probably did not exceed 25 per cent[82] and was "much smaller than was anticipated" in Alberta by December, 1946.[83]

The veterans' preference in the provinces is not usually as high as in the federal service. For new appointments it ranges from no statutory preference in Quebec,[84] to "bonus marks equal to ten per cent" in competitive examinations in Saskatchewan,[85] New Brunswick, [86] and Nova Scotia, [87] to absolute preference for veterans possessing the "standard for the position" in Manitoba.[88] There were numerous amendments in most of the provinces during the war period regarding veterans' preference. Most of these were designed to provide a broader definition of "veteran," "returned soldier," "persons who saw service outside Canada," etc., during the second World War and to broaden the coverage in other respects.[89] These preferences, coupled with administrative benevolence in interpreting the provisions, had resulted through 1946 in over 74 per cent of the new male appointments in British Columbia, 82 per cent in Ontario, and 90 per cent in Saskatchewan being selected from returning veterans.

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[81] As of July 30, 1945. Cf. the later observations by the Commissioner on the "Reinstatement of Veterans" in *Report of the Civil Service Commissioner for the Year Ending March 31st, 1947* (Toronto, 1948), pp. 5-6.

[82] Communication as of Oct. 23, 1946, from Percy Ward, Chief Inspector of Hospitals and Institutions in British Columbia.

[83] Communication as of Nov. 16, 1946, from A. Sommerville, Assistant Deputy Minister of Public Health in Alberta. In 1945 the Conference on Inter-Provincial Co-operation "turned its attention to the question of wage scales in provincial mental institutions. . . . Figures produced by the various delegates showed that from Ontario to British Columbia there is a good deal of variation, but that Alberta gets the booby prize for the lowest rates" (*Report*, undated).

[84] Where there is no special statutory provision regulating veterans' preference, as in Ontario, the regulations and governmental policy in making appointments may provide it.

[85] *Statutes of Saskatchewan*, 1947, c. 4, sec. 26(5).

[86] *Acts of New Brunswick*, 1943, c. 35, sec. 25.

[87] *Nova Scotia Laws*, 1935, c. 8, sec. 21.

[88] *Revised Statutes of Manitoba*, 1940, c. 34, sec. 44.

Even where there have been displacements of temporary employees by returning veterans, there has been little objection from the replaced temporaries in view of the condition of the labor market and the desire of many temporaries to retire from active work. The civil service associations have generally approved the administration of provisions for veterans' preference. The Civil Service Association of Alberta, for example, expressed itself as satisfied with the administration of the existing system for "employment or re-employment of veterans of both wars" and as favoring preference to veterans over nonveterans, provided "other factors are equal."[90] In fact, there have been numerous proposals to increase the preference for veterans. One competent critic has suggested that in Nova Scotia the veterans' preference on competitive examinations should be raised from 10 points to 20 per cent.[91]

Each of these provinces, including Prince Edward Island since 1945,[92] has a superannuation system covering most of its public employees. These systems, as they existed in December, 1946,[93] were variously administered: by the Provincial

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[89] See *Statutes of Manitoba*, 1940, c. 6, sec. 1; 1943, c. 4, sec. 2; 1946, c. 4, sec. 2.

[90] *Submissions*, p. 9. As in the case of the federal civil service associations, however, the provincial associations have not taken strong positions on the question of the preference.

[91] Dawson, *Report on the Civil Service*, p. 18. Professor Dawson points out that the clause granting preference by a percentage of marks has been a dead letter in the past because of the absence of "any examination worthy of the name."

[92] *Laws of Prince Edward Island*, 1945, c. 31.

[93] Use has been made of C. J. Foster, "Comparison of Canadian Superannuation Acts" (typewritten and undated), with attached memoranda and documents, prepared in connection with the proposed revision of the Public Service Superannuation Act in Ontario.

Treasurer in Prince Edward Island, the Superannuation Commissioner in British Columbia, a Superannuation Board of two members in Alberta,[94] a Public Service Superannuation Board of three members in Ontario, and a Civil Service Superannuation Board of seven members in Manitoba. A deduction of 4 per cent was the most usual one. The retirement ages for men were normally compulsory either at 70 or 65 and for women at 65 or 60. The optional retirement age, which depended on a number of factors, was usually lower than the compulsory retirement age; but in Nova Scotia and Manitoba no optional ages were stated. These ages, however, too high at best, were often subject to exceptions made by the Lieutenant-Governor in Council, and it has been a common practice for many employees to live out their years in the service. During the war these retirement ages were from necessity either modified or largely ignored.

The amount of the pension varied in 1946 from province to province, but typical provisions were those in Saskatchewan, where the maximum might be 35/50ths, and in Ontario, where the maximum might be 30/50ths of the average salary during a specified number of years of service. In neither case could the amount exceed $2,000.[95] All of the acts make some allowances for dependents. In cases of voluntary resignation before allowances were payable, all of the provinces provided for a refund of payments with interest, except Nova Scotia and Manitoba, where refunds without interest were permitted.

The chief wartime amendments of the superannuation acts during the period after 1939 were designed either to include types of employees not previously covered,[96] or to provide that service in the armed services should be counted as service in provincial employment for superannuation purposes.[97] In addition, provisions were made in several provinces to protect or provide for the pension rights of civil servants who were transferred either temporarily or permanently to the Dominion service.[98] Some of the amendments are highly complex, as is true in Manitoba, a province which delayed until 1939 in passing her Civil Service Superannuation Act.[99] However, Manitoba made up for past legislative diffidence by amending the original act at least once in every legislative session after that date. These changes culminated in the highly complex and detailed amendment of 1946.[100]

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[94] Changed to three members in 1947 (*Statutes of Alberta*, 1947, c. 7, sec. 3).

[95] This maximum in Ontario was increased to $3,000 in the fall of 1947 (Ottawa *Evening Citizen*, Oct. 27, 1947, p. 15).

[96] Note annual *Statutes of Manitoba* after 1943, for example.

[97] *Nova Scotia Laws*, 1942, c. 16.

CIVIL SERVANT ASSOCIATIONS

The development of civil service associations in the various provinces has been of quite recent origin. To this development the Maritime Provinces have evidenced the chief immunity. Though there were once flurries of interest in an organization in New Brunswick, there was actually no functioning civil service association in any one of these provinces at the end of 1946.

There are two organizations of employees in Quebec which are loosely united. The civil servants employed at the provincial capital are organized in l'Association des Employés Civils, which was founded in the 1920's. A second organization known as l'Association des Fonctionnaires de la Province was established in 1940; and its membership was in 1947, with the exception of four small branch units, employed within the City of Montreal. These two associations, which were organized under the Companies' Law of Quebec, are united for joint purposes in a Conseil Général des Employés de la Province, composed of four representatives from each association. Though granted a limited statutory recognition,[101] these bodies exist primarily as social and recreational bodies, agencies for group insurance and hospitalization schemes, and organs through which collective requests on matters of joint interest can be made to the Government.

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[98] *Statutes of British Columbia*, 1945, c. 12, sec 5(4); *Statutes of Ontario*, 1941, c. 46, sec. 2; *Statutes of Saskatchewan*, 1942, c. 6, sec. 54. On the usually adverse results of these transfers, see the resolution presented to the Annual Convention of the Trades and Labor Congress of Canada in 1946 (*Report*, p. 421). Sec. 5a of Bill 415 in 1947 to amend the Dominion Civil Service Superannuation Act provided for prior coverage of employees who had been "engaged in pensionable employment" before entering federal service.

[99] *Statutes of Manitoba*, 1939, c. 65. See *Consolidation of the Manitoba Civil Service Superannuation Act* (1947).

[100] *Ibid.*, 1946, c. 5.

[101] In case the Government wishes to appoint three members instead of one to the Civil Service Commission, the Conseil Général is authorized to nominate one of the members. One of the three members on the Reclassification Committee was, in accordance with statutory provisions, nominated by the Conseil Général. See *Statutes of Quebec*, 1945, c. 16.

The Government of the Province furnishes limited assistance to both the Quebec and Montreal associations, chiefly in the form of secretarial assistance. With this benevolence has been coupled an emphasis upon the letter and spirit of recent Quebec legislation forbidding "outside" affiliation, even with the Catholic "syndicates." In reality, these Quebec associations are loosely organized groups, occasionally rent by internal factional and political differences. Their work has fallen largely into the hands of a few officers. Their chief strength lies in the fact that they constitute a sizable body of voters and that they serve as a safeguard against other forms of unionization.

The associations of the provinces to the west of Quebec differ from each other in many individual respects, but they fit into a common pattern of organization and activities. They have been far more active as pressure organizations to secure improvements in public employment conditions, and they have developed a type of regional solidarity not present in the eastern part of Canada. The three first organized were the Civil Service Association of Ontario in 1911, the Civil Service Association of Alberta in 1919, and the Civil Service Association of Saskatchewan in 1915. This latter association was reorganized in 1944, when it was affiliated with the Trades and Labor Congress of Canada. Its members consequently consider the present organization to date from 1944. After initial steps in 1941, the British Columbia Provincial Government Employees' Association was organized on a province-wide basis in 1942.[102] The reorganized association in Manitoba was also a product of the war years. Originally formed chiefly as a social organization, the Manitoba Civil Service Association was provided with a new constitution in 1944 and began to function much more actively thereafter.

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[102] There had been a "civil service organization" which had existed "some twenty-five years ago," but it had "disintegrated."

The joint activities of these organizations were confined until recently to an occasional exchange of information, but in 1942 delegates from the associations in British Columbia, Alberta, and Saskatchewan began to send fraternal delegates to the annual conventions held in the three provinces. After some efforts between 1943 and 1945, a conference consisting of representatives of the Ontario, Manitoba, Saskatchewan, Alberta, and British Columbia associations was held in September, 1945, in Winnipeg. At this time a permanent interprovincial organization was discussed. Although the associations have in the past been much more concerned with the aims outlined under heading (f) than with all the others combined, the following "proposed functions of an inter-provincial council" furnishes a summary of the stated objectives of these five associations:

> a) To promote the introduction of the merit system and improved personnel practices in provincial government;
> b) To urge the elimination of political patronage with its attendant evils of inefficiency, favoritism and insecurity;
> c) To maintain a research service and to serve as a clearing house for information of value to individual associations;
> d) To protect civil servants from unwarranted criticism and to educate the public out of the all-too-prevalent attitude that the civil service is the last refuge of the incompetent . . .;
> e) To enlighten the public regarding the work of the civil service and to make the value and importance of that work known to the public;
> f) To advance the economic and social welfare of civil servants by:
>   1) Systematic pay increases and promotions;
>   2) Adequate pensions and protection for dependents;
>   3) Regular vacations and sick leave with pay for full-time employees;
>   4) Protection against unreasonable hours of work or objectionable working conditions;
>   5) Protection against unjust discharge.

The interprovincial meeting in 1946 was marked by a failure to reach an agreement on a permanent organization. In addition to the fiscal problems involved, the membership of the associations of British Columbia, Alberta, and Saskatchewan in the Trades and Labor Congress of Canada caused the question of the trade union affiliation of both the nonmember associations represented and of a future interprovincial organization to lurk in the background of the conference discussions. The upshot was that the provisional arrangement was continued for another year with the understanding that attempts would be made at the meeting in the fall of 1947 to frame and adopt a permanent constitution.[103] A draft constitution for "The Canadian Council of Provincial Employee Associations" was finally drawn up at the third annual interprovincial conference in 1947 and was submitted to the annual conventions of the five participating provincial associations for approval.[104]

In Manitoba the Civil Service Association, after actively debating the matter, agreed in October, 1947, to affiliate with the Trades and Labor Congress.[105] Only the badly divided Civil Service Association of Ontario remained without trade union connections, and affiliation in the province faced the strong opposition of the Progressive Conservative Government under Premier Drew.

These provincial associations are composed largely of the civil servants in the lower and middle salary brackets. The officers of the associations are usually an inner group who do most of the voluntary work, often at considerable personal sacrifice, and who fill the offices annually by a system of refined co-optation. Only rarely, as occurred in Quebec City in 1947, is the slate of the incumbent group defeated.

By 1947 the associations of Ontario, Saskatchewan, Alberta, and British Columbia had permanent secretaries and regular office staffs. To finance these costs and those occasioned by the increased activities of the associations, the dues had been increased in several provinces during 1945-1947.

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[103] "Inter-Provincial Conference Report," *Civil Service Bulletin,* XXVII (Jan., 1947), 14-16.

[104] *Dome,* XXI (Nov., 1947), 5-6. The first annual meeting of the Executive of the Canadian Council, provided under this constitution, was held in Regina, Saskatchewan, on Sept. 16-17, 1948.

[105] Manitoba Civil Service Association, *What is Affiliation* (undated), contains pertinent information on the pros and cons of affiliation which was voted on at the 1947 convention. See also *Report of the Annual Convention of the Manitoba Civil Service Association, 1947*, pp. 53-54.

There has been a rapid growth in the membership of the associations, especially since 1945. The 1946 membership figures, together with the annual dues and regular publications, were:

CIVIL SERVANT ASSOCIATIONS

Province	*Approx. Membership* (1946)	*Annual Dues* (1946)	*Regular Publications* (1946)
Quebec[106]	8,700	\$ 2.00 (Montreal)	*La Ronde d'office*
		\$ 3.75 (Quebec)	*Contact*
Ontario[107]	5,700	\$ 3.00	*Civil Service News*
Manitoba[108]	1,000	\$ 2.00-\$4.00	*M.C.S.A. News Letter*
Saskatchewan[109]	3,400	\$ 6.00	*The Dome*
	750[110]	\$12.00	
Alberta[111]	2,560	\$ 6.00	*Civil Service Bulletin*
British Columbia[112]	3,700	\$ 4.00-\$12.00	*The Provincial*

[106] Figures for 1946 based on estimates of the presidents and other officers of the Quebec associations. The Quebec City dues included provisions for insurance not provided in the Montreal dues.

[107] Information as of Nov. 15, 1946, from R. C. Sabiston, Secretary-Treasurer of the Civil Service Association of Ontario.

[108] The membership ranged from 800-1,000 in 1946 and had increased to 1,303 in July, 1947. The dues were graduated according to the salary of the employee. The *M.C.S.A. News Letter* has been replaced by the *Bison*, which has been published monthly since April, 1948. The dues were increased to \$6.00 annually in Oct., 1947.

[109] Under the agreements between the Government and the Civil Service Association of Saskatchewan, the latest of which was concluded on March 2, 1948, there has been a maintenance of membership clause in effect since Aug. 1, 1945. All permanent and other employees covered by the Public Service Act of 1947, with only a few exceptions which were permitted in 1944-1945, were consequently members. The dues were increased to \$12.00 per year in April, 1947. The membership figures included employees of the Power Commission and the Liquor Board.

[110] Figures are for Locals 2, 3, 4 of the United Civil Servants of Canada, chartered locals of the Canadian Congress of Labour, which also has a maintenance of membership clause in its agreement with the Government. These employees were in the provincial hospitals and mental institutions. The dues were increased to \$18.00 in 1947.

[111] *Civil Service Bulletin*, XXVII (Jan., 1947), 18; information as of Aug. 7, 1947, from R. A. Harrison, Secretary of the Civil Service Association of Alberta. The Government permits the "check-off."

[112] Information as of Jan. 28, 1947, from E. P. O'Connor, General Secretary of the B. C. Provincial Government Employees Association. In 1947, the dues, which had varied in the locals in 1946, were fixed at \$9.00 and were made uniform throughout the province. There was a publication by the Vancouver Local from 1943 to 1947, when the *Provincial* was started as a provincial publication.

The effectiveness of these organizations has depended upon such factors as the attitude of the Government, the extent of public sympathy, the aggressiveness of their elective officers and permanent secretaries, and the degree of unity within their own ranks. It follows that their influence and role should differ with the province. By and large they have played a very small part in the past in the formulation of government policy on public employment. Their efforts have turned the mills slowly, if at all, in cabinet meetings and in legislative halls. Still, their influence in recent years has increased considerably, and many of the latest improvements in the status of the civil servant can be traced initially to the continued demands of these associations. This has been particularly true in Ontario and in the three western provinces of Saskatchewan, Manitoba, and British Columbia.[113] The associations have been well in advance of most of the civil service commissions in their efforts to improve and modernize the personnel services.

One development of some significance to the associations in the provinces has been a borrowing of features from the Whitley Council system of Great Britain by Alberta, Ontario, and Saskatchewan. In 1922 the Lieutenant-Governor in Council of Alberta, "for the purpose of securing the greatest measure of cooperation between the Government in its capacity of employer and the members of the Public Service in matters affecting the service," was authorized "to constitute a Joint Council, which shall be known as 'The Alberta Civil Service Joint Council.' "[114] As set up in 1938,[115] half of the six members were appointed by the Government and half by the Civil Service Association of Alberta. It was to meet monthly except by agreement, and its functions, which generally included "all matters affecting the service," were prescribed by the Lieutenant-Governor in Council.

In 1934-1935 provisions were made in Saskatchewan for a "Joint Council" whose functions were primarily to hear employee complaints regarding classification and other provisions of the Public Service Act.[116] In fact this council did not meet, and members were not even appointed to it, during its last years of nominal existence. Provisions were subsequently incorporated in the agreement of February, 1947, between the Government and the Saskatchewan Civil Service Association for the holding of a Joint Council after preliminary methods of settling grievances had failed.[117] The Joint Council will consist of three members, one appointed by the Government, one by the Association, and the chairman to be designated by these two members. Its recommendations will be submitted directly to the Executive Council for consideration.

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[113] Ayme La Fontaine, K. C., former chairman of the Civil Service Commission of Quebec, credits the civil service associations in Quebec with providing the chief agitation leading to the passage of the Civil Service Act in 1943.

[114] *Revised Statutes of Alberta*, 1942, c. 31, sec. 23; continued under the Public Service Act, 1947 (*Statutes of Alberta*, 1947, c. 6, sec. 29).

[115] O/C 1538/38.

A more comprehensive scheme of joint councils was provided by order in council in Ontario in 1944,[118] when a Joint Advisory Council was created. It consists of seven members, the Civil Service Commissioner *ex officio*, as chairman, along with three members appointed by the Premier and three appointed by the Ontario Civil Service Association. In addition to this agency, which was designed to consider problems of general interest to the service as a whole, departmental councils with equal representation from the staff and official sides to deal with matters of interest to the departmental employees were also provided. The members of the staff side of the departmental councils are elected by the employees of the department and not solely by those departmental employees who are affiliated with the Civil Service Association.[119]

[116] *Revised Statutes of Saskatchewan*, 1940, c. 8, secs. 65-69.

[117] Arts. 13-17. The "Union Agreement" between the Government and Locals 2, 3, and 4 of the United Civil Servants of Canada in Jan., 1947, contained no provision for the use of a Joint Council in settling grievances. The United Civil Servants prefer "direct" methods of settlement. See Agreement, art. II.

[118] *Memorandum on the Functions of the Joint Advisory Council of the Public Service of the Province of Ontario* (mimeographed and undated). On the constitution and functions of the Joint Advisory Council, see also *Civil Service News*, XXI (April, 1946), 2; *Regulations* (under Part I of the Public Service Act), 1946, secs. 20-23.

[119] This question caused sharp controversy in the Joint Advisory Council, and the Council split 3-3 (with one member not voting) at its meeting on Nov. 20, 1945, on the question. Those opposing requirement of membership as a prerequisite felt that this action would be a form of compulsion on nonmembers to join the Association.

These councils have been designed to furnish a meeting place between the staff and official sides where common problems can be discussed and where negotiations can be carried on. Nothing was accomplished in Saskatchewan before 1944, and the new arrangements had not been tested up to the end of 1947 except for classification appeals. In Alberta there has been more accomplishment to the credit of the Civil Service Joint Council, which has been used more for the discussion of policy questions than as an appeal body in grievance cases.[120] The presence of three ministers at the meetings lends weight to the deliberations. Major defects have been envisaged by the Civil Service Association, however, particularly in the infrequent meetings and the failures of the Executive Council to act on the Joint Council recommendations in the manner desired and with the promptness prescribed by statute.[121] The role of the recently created Joint Council in Ontario appears greater on paper than in practice, but it has been favorably noted by the Civil Service Association[122] and by the Civil Service Commissioner. It has discussed vigorously such matters as cost-of-living bonuses, holidays, leaves, and superannuation. It has acted as an appeal body from the decisions of the Reclassification Committee and from the departmental councils. Its meetings were becoming more infrequent in 1946-1947, however, as compared to 1944-1945, and there was a growing lack of interest in its activities among the employees. Furthermore, the departmental councils had been active in only three or four departments by the middle of 1947, and they faced strong official opposition elsewhere.[123]

In addition to the joint councils there have been provisions for other agencies in which the associations are represented. Appeal boards of various types have been set up in several provinces.[124] The associations had secured representation on superannuation boards and reclassification committees in several provinces, and the Civil Service Association of Alberta nominates one of the three members of the Civil Service Commission set up in 1947.

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[120] The two meetings in 1947 discussed such questions as the five-day week, classification, bonuses, and superannuation. Note "Report of the Joint Council Representatives," *Civil Service Bulletin,* XXVII (Jan., 1947), 7-8.

[121] *Submissions,* p. 9; *Minutes of the First Annual Meeting of the Executive of the Canadian Council of Provincial Employee Associations* (1948), p. 17.

[122] *Civil Service News,* XXI (Aug., 1946), 1, 10-11.

[123] See Proceedings of the Joint Advisory Council of April 17, 1946 (typewritten).

A far more important recent recognition was that accorded the Civil Service Association of Saskatchewan by an amendment to the Public Service Act of 1945.[125] In effect, this amendment, sponsored by the C.C.F. Government, authorized unionization of the public employees and collective bargaining rights under the Trade Union Act of 1944 on practically the same basis as that recognized for private employees. The results have been separate agreements between the Government and the various employee unions, among which considerable rivalry and bitterness exists.[126] These agreements, as indicated, included maintenance of membership and check-off clauses. The very difficult question of seniority has not been settled, and the rival unions are not in agreement on the question. Other difficulties in applying certain trade union practices to public personnel administration also remain. Without any question the developments in Saskatchewan represent the high-water mark in the recognition of associations or unions of provincial employees in Canada.

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[124] See, for example, Civil Service Commission, *Civil Service Regulations* (Victoria, 1946), sec. 7; *Regulations* (under Part I of the Public Service Act in Ontario, 1946), secs. 24-25. The Special Appeal Board set up in 1944 in Ontario had heard only two appeals, one of which it dismissed, prior to May, 1947.

[125] *Statutes of Saskatchewan*, 1945, c. 4, sec. 64(a). This act stands in sharp contrast to the restricted Public Services Employees Disputes Act, passed in 1944 as a sequel to the strike of firemen and policemen in Montreal in 1943. This act forbade the Provincial Police Force, the Liquor Police, and "other functionaries within the meaning of the Civil Service Act" to "remain or become a member of an association which does not consist solely of persons in the same category or which is affiliated with another association or organization" (*Statutes of Quebec*, 1944, c. 31, sec. 6). Strikes of these employees were prohibited "in all circumstances."

[126] See "Articles of Agreement" of Feb. 3, 1947, between the Government and the Saskatchewan Civil Service Association; cf. the "Union Agreement" of Jan. 29, 1947, between the Government and Locals 2, 3, and 4 of the United Civil Servants of Canada. The sharpest conflict involved the employees of the Power Commission, who were originally organized in an officially recognized bargaining unit affiliated with the Trades and Labor Congress. The employees of one of the three private companies acquired by the Power Commission after 1945 were organized in a union affiliated with the Canadian Congress of Labour. Questions involving seniority rights immediately arose. After the original jurisdictional dispute had apparently been settled, a petition for a vote on bargaining agents in the Power Commission was requested in 1947 by employees who favored Canadian Congress of Labour affiliation, but the request was dismissed by the provincial Labor Relations Board (*Dome*, XXI [March, 1947], 2; XXI [April, 1947], 5). For the report of a board of conciliation "in the matter of a dispute between His Majesty the King, in the right of his Province of Saskatchewan, an employer, and the Saskatchewan Civil Service Association, a trade union, authorized under the Trade Union Act of 1944, for the purpose of negotiating a revision of the Agreement of Feb. 3, 1947," see *ibid.*, XXII (Jan., 1948), 10-13.

The employees' organizations have also been concerned with the question of the political rights of their members in certain of the provinces. The one major statutory extension of political rights has been provided in Saskatchewan. In the Public Service Act of 1947, the employee, while prohibited from taking part in political activities during his hours of duty, or from engaging in political practices which might "impair his usefulness in the position in which he is employed," is recognized as having a right to active political participation. If desired, the employee can secure a thirty-day leave of absence before an election to become a candidate for public office.

This extension of political rights beyond the scope permitted either by the Dominion or by the provincial governments,[127] may be explained in part by special circumstances in Saskatchewan[128] as well as by the general program of the C.C.F. party. It was never requested by the Civil Service Association, and most of the active leaders of this association have seriously questioned the advisability of a provision which they feel has already permitted some abuses. Whatever the merits of according "equal political rights" to public employees,

[127] *Statutes of Saskatchewan*, 1947, c. 4, sec. 54. Federal civil servants may vote, but any participation in "partisan" political activities subjects them to dismissal. Service on municipal boards is not considered to represent a violation of the regulation. For a comparison of the political rights of the Canadian civil servant with those of the civil servants in certain foreign states see Brian Smith, "Civil Rights of Public Servants," *Civil Service Review*, XXI (Sept., 1948), 185-188.

[128] When Mr. Coldwell, present C.C.F. Leader and then Provincial Leader of the Farmer-Labor party, asked for leave from his teaching duties to participate in the federal election of 1935, he was dismissed by the Regina School Board. Though subsequently reinstated by another board, he had been elected in the meantime to the House of Commons and resigned his position as a teacher ("Civil Servants in Politics," Ottawa *Evening Citizen*, April 16, 1947, p. 30).

the politically experienced fear the price which might be paid where full advantage is taken of these provisions in an election followed by a change in Government, that is, either dismissal or the failure to secure promotions.

CONCLUSION

Any comments on the gains and losses of provincial civil servants during the period 1939-1947 must be based on limited information. The plans of the Dominion Bureau of Statistics for statistical coverage of the provincial personnel at the end of this period were still in the blueprint stage. Furthermore, it is difficult to generalize in view of the few political studies made of provinces which are as widely divergent and physically separated as Prince Edward Island and Ontario, or Quebec and British Columbia. Since 1939 there has been only one comprehensive survey of a province which dealt to any extent with administrative problems,[129] and one book which made a serious comparative study of a single phase of provincial administration.[130] In this respect, the provinces have indeed been the "dark continent" of Canadian politics.[131]

This situation will explain only in part the appalling scarcity of information in any provincial government as to the administrative developments in most other provinces across the Dominion. This type of isolation is buttressed by the lack of any arrangements, except in the case of school teachers, for an exchange of personnel between provinces—especially the occasional interchange of specialists who would carry their "know-how" along.

On other matters, there are a few conclusions which can be drawn. The loss in average real income for all provincial employees during the period 1939-1946 was greater than that of the federal employees. The improvements in salary conditions and bonuses after 1943, slight betterments in the superannuation systems, and the few changes in working conditions did not alter this basic situation. In view of the necessity of appointing large numbers of wartime temporary employees, the caliber of the personnel in all of the provinces declined during the war. This trend was particularly evident among the lower-paid stenographic and clerical classes and among the higher technical classes such as engineers and doctors. Despite some improvements in 1946 and 1947, it would appear that the quality, prestige, and morale of the provincial employees in 1947 were comparatively lower in a majority of the provinces than in 1939.

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[129] *Report of the Nova Scotia Royal Commission on Provincial Development and Rehabilitation.* There were various postwar reconstruction studies and reports by several provincial departments and agencies which covered some aspects of the provincial administrative organization. Special mention might be made of W. T. Easterbrook, "Dominion and Provincial Administrative Jurisdictions Represented in Manitoba" (typewritten, April, 1945), prepared for the Post-War Reconstruction Committee of the Government of Manitoba. A series of social, economic, and political monographs on the Social Credit Movement in Alberta is being prepared under the auspices of the Social Science Research Council of Canada.

[130] Harry M. Cassidy, *Public Health and Welfare Organization in Canada.*

[131] See the review in *Public Affairs,* IX (Winter, 1946), 124.

On the positive side some serious attention has been paid such matters as reclassification, and a new interest has been developing in the problems of administration. The greater security of tenure today as compared to earlier periods can be attributed both to a change in mores, to the increasing use of technically trained personnel for whom replacements are scarce, and to a growing public awareness of the cost and inadequacy of former patronage practices. Most of the civil servant associations, which have achieved an increasing amount of legal and political recognition, have offered support and mild encouragement to these developments. The growing contacts between these organizations through interprovincial conferences, trade union congresses, and the exchange of publications and reports have had some leavening effect on the provinces with the lowest standards. The civil service commissions and associated personnel agencies still live an isolated existence, though they exchange information more frequently than formerly and are occasionally brought together in the regional meetings of the Civil Service Assembly of the United States and Canada. But despite these developments, which may be of future consequence, only a bare beginning has been made to the present in the adoption of the type of administrative organization and procedures[132] which will make for effective personnel systems and administration.

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[132] Note the major recommendations in Dawson, *Report on the Civil Service*, pp. 18 ff., and in Civil Service Association of Alberta, *Submissions.*

·IX·

The Employees of Provincial Commercial Enterprises

THE EARLY INDUSTRIAL development of Canada in the nineteenth century has been associated with a laissez faire philosophy which called for limited regulation. Though permitting some "grandfatherly paternalism which distributes sweetmeats,"[1] regulation was postponed by a belief in the ever-opening vistas of new opportunity and by an emphasis on individualism and self-reliance. A federal system of government, with a distribution of powers which was heavily warped by the Judicial Committee of the Privy Council to favor the expansion of provincial powers, threw legal obstacles in the way of most types of industrial regulation on a national scale. At the same time this scope permitted to the provincial authorities allowed for a wide degree of variation in the beginning regulatory policies and practices.

Despite these early delays Canada's later development has been marked by a collectivist trend which has been evidenced in increasing regulation of economic activities and a growing public ownership of enterprises of a commercial character. To take a few illustrations of provincial action, seven of the provinces passed new legislation during the years 1937-1939 regarding trade unions. These acts, although designed primarily to recognize and confer certain rights, were also restrictive in certain other respects.[2] As a result of pressure from farmers, retailers, small manufacturers, and other groups, there was enacted from 1929 to 1939 a series of industrial standards acts in Ontario, Saskatchewan, New Brunswick, Quebec, and Alberta to provide uniform wages for particular industries or sections of the province; acts in New Brunswick, Nova Scotia, and British Columbia to regulate the sale of gasoline; legislation providing penalties for retail price-cutting in British Columbia and Alberta; regulations regarding the sale of fluid milk in eight provinces; and marketing regulations in a number of provinces. These measures usually provided for an agency with powers to issue licenses, to fix wages or prices, and to penalize for violations.[3] Associated with the development of these regulatory agencies was a movement towards the provincial ownership and operation of electric power plants, telephones, and liquor stores.

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[1] J. A. Corry, *The Growth of Government Activities since Confederation*, p. 5; V. W. Bladen, *Introduction to Political Economy* (rev. ed.; Toronto, 1943), chap. 1.

[2] H. Fabian Underhill, "Recent Canadian Labor Relations Legislation," *Journal of Political Economy*, XLVIII (1940), 357 ff.; cf. Canadian Congress of Labour Research Department, *Dominion and Provincial Legislation Relating to Collective Bargaining* (Appendix to Brief Submitted to the Industrial Relations Committee of the House of Commons, June 30, 1947).

The war period after 1939 saw little acceleration of these provincial developments for the simple reason that the emergency powers of the Dominion Government received full play under the unrepealed War Measures Act of 1914 and other delegating legislation.[4] National regulation and control of the economy for the war period meant that provincial powers were largely superseded and that there was little scope for provincial experimentation. Changes were in the offing, however, and the C.C.F. Government in Saskatchewan embarked after its victory in 1944 on a program of increased provincial ownership and operation through crown corporations. As the sphere of provincial powers has been again gradually restored to its prewar status and as opportunities have been opened to undertake postponed projects, provincial activity has sharply increased. Provincial legislation affecting labor relations has been particularly important.

In the developments of this century, especially since 1914-1918, a large number of boards and commissions have been deposited in the provinces of Canada. Attracted possibly by the appearance of "temporariness" and "independence" of a board or commission as compared to a "regular government department" with its "bureaucracy," and influenced heavily by precedents in the United States, the Canadians have often preferred to create a board or commission rather than to follow the British practice of enlarging the ministers' powers.[5] The boards and commissions vary widely and include some with purely advisory powers, some with primarily judicial functions, and some which are mostly regulatory in character.

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[3] Lloyd G. Reynolds, *The Control of Competition in Canada* (Cambridge, Mass., 1940), pp. 204, 240-241.

[4] The National Resources Mobilization Act, *Statutes of Canada,* 1940, c. 13; Department of Munitions and Supply Act, *ibid.*, 1939, 2d Sess., c. 3, as amended. See also Alexander Brady and Frank R. Scott (eds.), *Canada after the War* (Toronto, 1944), p. 65.

Only the most important ownership boards and commissions which are engaged in the operation of certain commercial enterprises in the provinces will be considered. The employees of these enterprises usually have a special position which is different from that of the regular departmental "civil servant." It is this special status which justifies separate examination in this chapter. Attention will be directed to those employees engaged in the electric power, telephone, and liquor distribution fields in all of the provinces, together with those employed by the crown corporations in Saskatchewan.[6]

PROVINCIAL ELECTRIC POWER COMMISSION EMPLOYEES

The movement for provincial ownership of electric utilities had its origin and achieved its maximum fruition in Ontario.[7] In the beginning the movement for this type of collective action in the power field received its primary encouragement from the same groups which supported a federal national policy in such matters as railway construction, protective tariff, and bonuses for manufacturers. Local conditions furnished the immediate momentum.[8]

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[5] John Willis (ed.), *Canadian Boards at Work* (Toronto, 1941), pp. vi-vii.

[6] This list does not exhaust the commercial enterprises or the crown corporations in the provinces. Mention might be made of the provincially owned Ontario Northland Railway in Ontario and the Pacific Great Eastern Railway in British Columbia, which are both small-scale and do not raise employment problems far different from those of the nationally owned Canadian National Railways.

On the basis of fiscal relationships the Dominion Bureau of Statistics proposes a somewhat different classification of "Government Enterprises." See Dominion-Provincial Conference on Provincial Financial Statistics of 1943, *Report of the Continuing Committee* (Letter of Transmittal, Sept. 15, 1945), p. 36. Cf. *Report of the Third Dominion-Provincial Conference on Provincial Financial Statistics*, Nov. 5-7, 1945 (Foreword of June 29, 1946), p. 8. A list of all "provincial boards, commissions, institutions" as of 1943 may be found in *Report of the Continuing Committee*, pp. 36-61.

[7] See Alexander Brady, *Canada* (Toronto, 1932), pp. 239 ff.; J. A. Corry, *The Growth of Government Activities since Confederation*, pp. 138 ff.; Mary Quayle Innis, *An Economic History of Canada* (2d ed.; Toronto, 1945), p. 276.

Having no coal and little mineral oil resources, Ontario was particularly affected when the strike in the Pennsylvania coal fields in 1902 jeopardized her fuel supply. A small group of enthusiasts, "socialists without socialist doctrines," appreciated the wealth of water power resources in the province; and their efforts led to the creation of the Hydro-Electric Power Commission of Ontario in 1906. With power originally purchased from private companies the Commission made its first deliveries over the commission-owned and -constructed network in 1910. It subsequently entered the field of power generation. By 1941 it was furnishing electrical energy for over 85 per cent of the consumers of power in the province.[9] Its plans of expansion[10] will certainly permit it to maintain its present position as the largest publicly owned utility in Canada supplying electric power.

Nova Scotia[11] and Manitoba [12] followed the lead of Ontario in 1919. New Brunswick provided for a commission to generate and distribute power in 1920,[13] and the Saskatchewan Power Commission was set up in 1929.[14] In the face of comparatively unfavorable ideological, cultural, and other forces which opposed state socialism,[15] Quebec, after halting starts, created the Quebec Hydro-Electric Commission in 1944[16] under the impetus of a new French-Canadian nationalist upsurge. This commission acquired, through expropriation and purchase, control of the generating and distribution facilities of the Montreal Light, Heat and Power Consolidated and certain properties and facilities of other privately owned utilities. Late additions were the provinces of Alberta[17] and British Columbia,[18] both of which saw the establishment of their power commissions in 1945. Prince Edward Island provided for a commission in the same year.[19]

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[8] This early history is covered in the excellent article by Alexander Brady, "The Ontario Hydro-Electric Commission," *Canadian Journal of Economics and Political Science*, II (Aug., 1936), 331 ff.

[9] Thomas H. Hogg, *Hydro* (Brackett Lecture, Princeton, 1941), p. 10.

[10] The Commission was in 1946 considering the expenditure of $200,000,000 during the next twenty years to convert from a 25-cycle frequency to a 60-cycle frequency, already in use in certain hydro "systems" (Montreal *Gazette*, Nov. 21, 1946, p. 1).

[11] *Nova Scotia Laws*, 1919, c. 6; 1929, c. 3.

[12] *Statutes of Manitoba*, 1919, c. 30. This act merely made provision for provincial transmission of electric power. The Commission was not created until 1931 (*ibid.*, 1931, c. 37).

[13] *Acts of New Brunswick*, 1920, c. 53.

[14] *Statutes of Saskatchewan*, 1928-1929, c. 3.

[15] A. W. Currie, *Canadian Economic Development* (Toronto, 1942), pp. 163 ff.; Brady, *Democracy in the Dominions*, p. 408.

[16] *Statutes of Quebec*, 1944, c. 22. The extremely complex history of the

It can thus be seen that the trend has been towards the provincial ownership of electric power systems which have placed their emphasis upon developmental rather than on profit motives, and away from a sole reliance upon publicly regulated and privately owned utilities. This trend has been characterized not only by the acquisition of private properties but also by the expansion of the public properties engaged in the generation and distribution of electric power. Still, the provincially owned systems operate today in every province side by side with private companies, and in 1945 privately owned central power stations were generating 25,530,857 kilowatt hours as compared with 14,599,195 kilowatt hours by publicly owned stations in Canada.[20]

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negotiations with the stockholders of the Montreal Light, Heat and Power Consolidated and of the expropriation of the "shares of capital stock" of the Beauharnois Light, Heat and Power Co. cannot be detailed here. They had not been completed by Aug., 1947, though a settlement had been made with the owners of about 90 per cent of the stock of the first-mentioned corporation by that date. See *ibid.*, Division VIII, secs. 2, 41. The Quebec Streams Commission, created under *Statutes of Quebec*, 1910, c. 5, as amended, had included in its functions relative to streams, the "production of power," but this authority was never directly exercised by it. In 1937 a "National Electricity Syndicate" had also been created with powers to generate and distribute electric power (*ibid.*, 1937, c. 24). In 1940 the National Electricity Syndicate was abolished and its properties were transferred to the Quebec Streams Commission (*Canada Year Book*, 1941, p. 285). Certain developments originally begun by the National Electricity Syndicate were in turn transferred by the Quebec Streams Commission to the Quebec Hydro-Electric Commission (*ibid.*, 1945, p. 346).

[17] *Statutes of Alberta*, 1944, c. 5, as amended.

[18] *Statutes of British Columbia*, 1945, c. 27, as amended.

[19] It had not started the production or distribution of electricity by 1947 (Lesslie R. Thomson, "Power and Manufacturing in Canada," *The Annals*, CCLIII [Sept., 1947], 75).

[20] *The Canada Year Book*, 1947, pp. 490, 501. The figures for 1939 were

The Ontario Hydro-Electric Commission was in its broad outlines originally designed to conform to a government department, and it was intended that the "details of policy and administration were to be under ministerial direction, and subject to regular parliamentary discussion."[21] During the years 1906-1925, however, the Commission acquired more and more of the independence possessed by a British public utility trust, despite the various controls by the Government through the power of the Lieutenant-Governor in Council to appoint the three members of the Commission and by the Legislature through its fiscal powers. After 1925 partisan controversies involving the position of the Commission flared forth on occasion, but in 1941 the chairman could correctly describe its status as follows:

> Although the Commissioners are appointed by the Government, Ontario Hydro is in no way a department of the Government. It is a separate entity, a self-sustaining public concern endowed by the Power Commission Act with broad powers to develop, produce, buy and supply electricity, and to perform certain regulatory functions with respect to the activities of the public utility commissions of the member municipalities. . . .
>
> Government participation is limited to that degree of supervision of general policies necessary for the protection of the financial guarantees that the Province has placed behind the undertaking. The Commission is free to decide the internal form of its organization and to appoint and fix the remuneration of its employees.[22]

This appraisal found judicial support when the court in *St. Catharines* v. *Hydro-Electric Power Commission of Ontario* declared that the Commission was a "statutory corporation created by the Legislature of Ontario with limited powers" and could not "be regarded as a Government Department, so that an agreement with the Commission can be treated as an agreement with the Crown."[23] But postwar developments re-

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21,285,710 and 7,047,100, and for 1943, 31,082,239 and 9,397,354 kilowatt hours for the two types of systems.

[21] Brady, "The Ontario Hydro-Electric Commission," pp. 331-332.

[22] Hogg, *Hydro*, p. 14.

[23] (1930) 1 D.L.R. 409. The Judicial Committee of the Privy Council confirmed this judgment in 1929. Cf. *Howarth* v. *Electric Steel and Metals Co., Ltd.* (1916) 35 O.L.R. 596; *Beach* v. *Hydro-Electric Power Commission of*

sulted in a violent renewal of the party controversy involving the Commission,[24] and in 1947 the Commission was increased in size from three to nine members, allegedly to provide more adequate functional and territorial representation than previously existed.[25] Following the report of a designated engineering firm which criticized "the method of liaison between the Commission and the provincial government" and the "absence of an adequate personnel department," steps were also taken under the instigation of Premier Drew to separate the functions of the General Manager from that of the Chairman of the Commission and to make a number of internal organizational changes.

The general pattern for the organization and powers of the other commissions was set in the legislation and earlier developments for Ontario, though there have been many minor differences in the provinces. The chief variation has developed in Saskatchewan. In that province the Government was authorized to bring the Saskatchewan Power Commission under the Crown Corporations Act of 1947,[26] when it will be provided with a board of directors to replace the present commission. The argument for the integration of the Power Commission into the system of crown corporations is that it would provide for a closer degree of control by the Government,

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Ontario (1925) 570 O.L.R. 603. In *Radych* v. *Manitoba Power Commission* (1942) 1 W.W.R. 89, the commission in Manitoba was held not to be the "Crown," so as to preclude, under the given circumstances and with the consent of the Attorney General, the bringing of an action in the courts against it. The clearest expression of liability to suit in the ordinary courts without the necessity of securing a *fiat* is provided in British Columbia, where the commission is treated "as if it were a trading corporation under the Companies Act" (*Statutes of British Columbia*, 1945, c. 27, sec. 94).

[24] In Jan., 1947, Progressive Conservative Premier Drew of Ontario asked for the resignation of Chairman Hogg on the ground that "problems were being created continually as a result of the failure of the chairman to communicate essential information to the Government" (Ottawa *Evening Citizen*, Jan. 28, 1947, p. 3). Critics charged that the real purpose of the Premier in forcing the resignation of Dr. Hogg, whose "private politics are anathema to the Government," was to obtain "much tighter control over a huge and immensely successful public enterprise" (*ibid.*, Feb. 1, 1947, p. 32). See also "The Drew-Hogg Affair," *Saturday Night*, LXII (Feb. 8, 1947), 1, 5, and the Montreal *Gazette*, Oct. 31, 1947, p. 16.

[25] *Legislature of Ontario Debates*, March 25, 1947, pp. 473 ff.

[26] *Statutes of Saskatchewan*, 1947 (unbound), Bill No. 79; O.C. 813/47 of May 20, 1947. See also the Saskatchewan *Gazette*, June 27, 1947, p. 7.

especially in fiscal matters through the Government Finance Office, and would remove some of the disadvantages arising from the "independence" of a commission. This change had not been realized up to August, 1947, though a gesture in that direction had been made by the appointment of the Chairman of the Economic Advisory and Planning Board as a commissioner. This addition increased the number of commissioners to two.

As in Ontario, the authority to recruit personnel is vested in the commission in the other provinces. The handling of personnel matters has until recently been given little attention by most of them, but reclassification of inside employees and new agreements with outside employees have necessitated the addition of trained personnel officers and a reorganization of the personnel work in several of the provinces. In none of the provinces are the electric-power employees classed as "civil servants." Those in charge of personnel usually maintain working relationships with the civil service or public service commissions for the recruitment of lower-paid officials and in order to prevent poaching, but as a rule there is lacking any organic connection between these agencies. In Manitoba and Saskatchewan, by way of exception, the employees of the power commissions were brought under the general civil service reclassifications of 1946-1947. In Manitoba the Civil Service Commission will exercise a "post-audit" in the future to see that the general regulations have not been violated.

The chief problem faced by the commissions during the war was that of securing a sufficient number of temporary employees to fill the places of those who were absent in war service. The resulting shortages of trained personnel continued to be acute during the post-hostilities years of 1945-1947. This problem of securing replacements was closely related to that of requesting deferment for essential employees, a task which was not handled in a uniform way in the provinces.

The following table will indicate the growth after 1939 of the salaried and wage-earning permanent employees of the commissions:

Employees of Electric Power Commissions[27]

	1939	1943	1946
Saskatchewan	200	200	270
Manitoba	135	155	207
Quebec	1,204[28]	1,177[28]	1,662
Ontario	3,369	3,812	6,278
New Brunswick[29]	119	119	135
Nova Scotia[29]	94	115	151
British Columbia	...	...	400
Alberta[30]	...	...	...
Prince Edward Island[30]	...	...	...
Totals	5,121	5,578	9,103

From these figures it is clear that little change had taken place in the number of employees between 1939 and 1943, the year of peak wartime employment in Canada. By the fall of 1946, however, there had been considerable increase in most of the provinces. Although data are not available for this period, the most rapid period of expansion since 1939 has undoubtedly been during 1946-1947. Almost every province has engaged in such expansion as local manpower resources and available materials would permit in order to meet the growing power shortages and to compensate for the expansion which had been necessarily delayed during the war years.

The practices regarding the compensation of employees varied widely during the period from 1939 to 1946, and comparisons are difficult to make on the basis of available data.[31]

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[27] Based on information furnished by the chairman, general manager, secretary, or treasurer of the commissions. Construction casuals and part-time employees are excluded.

[28] Employees of privately owned utilities expropriated in 1944 by the Quebec Hydro-Electric Commission.

[29] Figures for 1939 and 1943 are approximate.

[30] The commissions had no staffs worth noting by Aug., 1947.

[31] In certain of the provinces the information on which to base comparisons does not exist. Where available the information often does not take account of the relative numbers of different types of salaried employees or of the number of hours worked by hourly-paid employees, with the result that increased average compensation may simply represent increased hours of work. Furthermore, the figures make no allowance for homes, gardens, and other perquisites which are sometimes furnished to certain employees in Nova Scotia and other provinces. It is clear that there has been little exchange of information on salary matters between the commissions in the past, although the common difficulties experienced in all provinces in securing trained employees, especially technicians, has broken down some of this earlier reserve since 1945.

In four of the provinces, the following comparisons of average salaries can be made:[32]

Average Annual Wage or Salary

	1939	*1943*	*1946*
QUEBEC			
Average yearly clerical salary	$1,424	$1,707	$2,094
Average yearly hourly-paid wage	1,400	1,832	2,131
ONTARIO			
Average salary or wage of all employees	1,860	1,976	2,026
NOVA SCOTIA			
Average salary or wage of all employees	1,704	1,740	1,800
MANITOBA			
Average salary or wage of all employees	——	——	1,681
CANADA[38]			
Average salary or wage of all employees of publicly and privately owned power stations	1,497	1,871	——

The highest salary range in 1946 was that of the British Columbia Power Commission, with the Ontario Hydro-Electric Commission running a close second. Increases in Ontario in 1947 altered this relationship, at least for a time. As in the case of civil servant and teacher salaries, those paid the electric power commission employees in the Maritime and Prairie Provinces were the lowest. The range for comparable classes of linemen at comparable dates in 1946 ran from $113 in Nova Scotia,[34] to $172 in Quebec, and to $234 in British Columbia for an eight-hour day and twenty-four-day month.

It appears that the increases in salaries coupled with the cost-of-living bonuses from 1939-1946 kept pace with the rise in the cost-of-living index in New Brunswick and Saskatchewan, but failed to do so (except for certain categories of employees) in Ontario, Nova Scotia, Quebec, and Manitoba.

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[32] Figures obtained by dividing total payroll, including cost-of-living bonuses and overtime payments, by total number of employees, excluding construction casuals. The averages have been furnished by officials of the four provincial commissions listed.

[33] Based on total figures in *The Canada Year Book*, 1946, p. 365.

[34] Professor A. Brady characterized some of the salaries paid in Nova Scotia in 1944 as "inexcusably low" (*Report on Electric Power* [No. XIII of Royal Commission on Provincial Development and Rehabilitation, Halifax, 1944], p. 44).

It would also appear that the salary and wage schedules for the outside employees of provincially owned electric power systems tended in most instances to follow those set in the privately owned systems,[35] but the salaries paid the inside staffs generally lagged behind. In all cases the salaries of the inside staffs compared at least favorably, and usually more than favorably, with those paid in the regular classified service.

The employees of each of the commissions were in 1947 covered by a superannuation system which was identical to that for the classified public employees in such provinces as Manitoba, New Brunswick, and Nova Scotia, but which was different in such provinces as Quebec and Ontario. Each of the systems was a contributory one. The rate of contributions varied widely, with compulsory contributions in British Columbia ranging from 4 to 10 per cent, depending on the age of the employee when entering the service and on other considerations. The maximum allowable pensions were thirty-five fiftieths of the average salary during the ten highest-paid years not to exceed $6,000 in Quebec;[36] one seventieth of the average yearly salary on which contributions have been paid, multiplied by the number of years of service, in Ontario; two thirds of the designated average salary in British Columbia and Manitoba; thirty fiftieths of the average salary of the last three years of service not to exceed $2,000 in New Brunswick; and thirty-five fiftieths of the average salary of the last three years of service not to exceed $3,000 in Nova Scotia. The war period saw no major changes in these systems, though some minor liberalizations crept in and provisions were made to cover the cases of employees absent in war service.

No changes of importance in working conditions took place from 1939 to 1945, but some minor ones were made in 1945-1947. There was an extension of the annual holiday period for employees not already covered in New Brunswick, Manitoba, and Saskatchewan to three weeks, and a reduction in the work week from forty-eight hours to forty-four hours in Saskatchewan. By and large the hours of work, vacations, and sick leave are much as they were in 1939, with some tendencies toward liberalization.

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[35] A comparison provided by officials of the Quebec Hydro-Electric Commission of the salary rates for comparable positions at the end of 1946 in the Quebec Hydro-Electric Commission and in the privately owned Shawinigan Water and Power Company in Quebec indicates some differences but generally comparable rates for both outside and inside employees.

[36] Fixed by statute of March 28, 1946. See *Pension Plan* (Hydro-Quebec, 1946).

The employees in all of the provinces except Nova Scotia and New Brunswick are organized. In Manitoba the employees in outside services are organized in the "One Big Union," which lingers on in Manitoba. The office staff is represented by an internal employees' federation. In the other provinces most of the organized employees are in locals which are affiliated with the Trades and Labor Congress of Canada (and/or American Federation of Labor) or with the Canadian Congress of Labour. In British Columbia, by way of illustration, about 75 per cent of the outside employees are organized in Local Union No. B.213 of the International Brotherhood of Electrical Workers, which concluded a collective agreement to run for three years with the B.C. Power Commission in March, 1947.

The most interesting questions in 1947 have involved the future of the five A. F. of L. locals, one for clerical employees and four for hourly-wage employees, into which the employees of the Quebec Hydro-Electric Commission were organized. Quebec legislation enacted in 1944,[37] the year in which the Quebec Hydro-Electric Commission was created, prohibited the outside affiliation of specified municipal and most provincial employees, but so far the provisions have not been broadened to affect the status of the employee unions of the Quebec Hydro-Electric Commission. In Saskatchewan the employees of the Power Commission, though not subject to the Public Service Act, were members of a unit affiliated with the Trades and Labor Congress of Canada and the Civil Service Association. The collective bargaining under the agreement with the Power Commission was handled by the Civil Service Association. Considerable difficulties and jurisdictional disputes were encountered in the case of employees of three private power companies purchased after 1945.[38] In none of the provinces, despite some mutterings on occasion, has there been a serious strike threat on the part of the electric power commission employees.

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[37] *Statutes of Quebec*, 1944, c. 31.

[38] See above, p. 212 n. 126.

In summation, the period from 1939 to 1945 witnessed the usual difficulties of recruiting temporary personnel, a drop in the real income of employees, and a few changes in working conditions. The period from 1945 to 1947 was marked by continued shortages of personnel, some changes in working conditions, rapid improvements in salaries, and a return of most of the personnel who were on leave.

PROVINCIAL TELEPHONE EMPLOYEES

The development of provincially owned and operated telephone systems has been confined to the Prairie Provinces of Manitoba, Saskatchewan, and Alberta. Manitoba took the lead in 1906 when statutory authorization was granted to acquire the telephone system which had been constructed by the Bell Telephone Company.[39] Shortly afterwards the Government of Alberta took similar action, and in 1908 the Alberta Government Telephones came into being. The Department of Telephones of Saskatchewan was created in the same year. In all of these cases action was taken at almost the same time to meet the demands of a people for telephone facilities which were not being provided in rural areas with sufficient rapidity by private companies.

There were differences in the early development of these systems in Manitoba and Alberta, on the one hand, where the provincial government both built and operated the rural telephones, and in Saskatchewan, on the other hand, where fiscal problems compelled an early emphasis upon the use of cooperatives in the rural areas. In all three provinces the years 1914-1921 were ones of rapid construction and development; those of 1921-1930 were ones of continued expansion and relative prosperity; and those of 1930-1936 were ones of depression. This latter period saw the systems confronted with serious financial difficulties and a heavy loss of subscribers, but the period which followed has been one of quick recovery.[40] In short, the provincially owned telephone systems were the product of a special period in the history of a particular region in Canada.

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[39] *Statutes of Manitoba*, 1906, c. 89; cf. H. Carl Goldenberg, *Report of the Government Commercial Enterprises Survey* (Winnipeg, 1940), p. 5. The Government acquired final ownership in 1908.

As compared to the provincially owned electric power utilities which resemble the British public utility trust, the status of the provincial telephone systems has been up to 1947 more analogous to that of a public authority as illustrated by the telephone and telegraph administrations in the British Post Office.[41] In each of the three provinces there has been a responsible Minister of Telephones, or of Telegraphs and Telephones, who served as the political liaison with the Government. There was also in each instance a general manager, with the rank of deputy minister, or a commissioner, who acted as the administrative head of the department. In a number of respects the telephone systems were thus managed and controlled as a regular governmental department.

In 1947 a legislative enactment made provision for the conversion of the Saskatchewan Department of Telephones into a crown corporation, the Saskatchewan Government Telephones.[42] This change, which was in keeping with the provincial policy of encouraging crown corporations, was explained as desirable in view of the obsolescence of the departmental system for operating commercial enterprises and the comparative advantages of the public corporation. The shift was made on June 1, 1947, when the ultimate control was placed in the hands of a five-member corporation of which the Minister of Telephones is Chairman. The effects of this change, officially designed to separate the "administrative and regulatory functions of the telephone department," can be evaluated only at a later date. The fiscal control over the telephones, including supervision of the approximately $10,000,000 in reserves, is now in the hands of the Government Finance Office. This development resulted in no immediate changes in the internal administration of the telephone system or in the method of handling personnel problems.

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[40] G. E. Britnell, *The Wheat Economy* (Toronto, 1939), pp. 126-129. The total number of telephones in Saskatchewan in 1947 was above the peak year of 1930, but the number of *rural* telephones was still below the earlier peak.

[41] Cf. Marshall E. Dimock, *British Public Utilities and National Development* (London, 1933), pp. 26 ff.

[42] *Statutes of Saskatchewan*, 1947 (unbound), Bill No. 90; Saskatchewan *Gazette*, June 27, 1947, p. 7.

In practice the telephone systems in all three provinces are largely autonomous as far as control of personnel is concerned, though the methods of handling personnel vary considerably. Since 1947, in Manitoba, the employees not covered by regular union contracts for operating staff, etc. have been classified as a part of the regular civil service.[43] A Personnel Manager has been created to handle personnel problems. The Civil Service Commission of the province will not directly control recruitment and promotions but will conduct occasional "post-audits" to see that the classifications are being maintained. In Alberta, according to the Deputy Minister and General Manager of the Alberta Government Telephones:

> Employees of the Telephone Department are not actually classified as civil servants in the general sense of the term. They are not members of the Civil Service Association and employees are not selected through the office of the Provincial Civil Service Commission. Hours of labor, working conditions, sick leave regulations, pension plan etc. are not governed or in agreement with related regulations prescribed for civil servants in Alberta. Selection of employees is made by Department Heads and District Officials and promotions are approved on the basis of trade skill, merit, experience and seniority.

The status of the employees in the crown corporation in Saskatchewan does not differ materially from that of the Alberta employees. The wages and working conditions have been regulated by a collective agreement since April, 1945, with the Union (consisting of Canadian Congress of Labour chartered locals) which embraces all the employees of the crown corporation.[44]

In the systems of selection there was little change during the years 1939-1946. That there was not much political favoritism is explainable in part by the technical character of the positions and by the shortage of trained personnel. There were the usual difficulties of maintaining this technical staff in the face of enlistments in the armed services on the one hand, and the heavy increases in demands for telephone service on the other. The re-employment of married women on a temporary basis as operators and stenographers, the use of persons beyond retirement age, and the hiring of untrained persons were expedients to fill the gaps in the employee ranks.

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[43] On the earlier arrangements, see Goldenberg, *Report of the Government Commercial Enterprises Survey*, pp. 22-23.

[44] See later *Agreement between Department of Telephones . . . and United Telephone Workers of Canada, Locals 1, 2, and 3* (Sept. 16, 1946).

The records show a rather sharp increase in the number of full-time employees after 1939:

	1939	*1943*	*1946*
Alberta[45]	583	760	908
Saskatchewan[46]	695	808	969
Manitoba[47]	1,031	1,122	1,562
Totals	2,309	2,690	3,439

In each instance there was some increase in 1947 employment as compared with that in 1946.

The "average" salaries (total payroll including cost-of-living bonuses and overtime payments divided by total number of full-time employees) were:

	1939	*1943*	*1946*
Alberta	$1,332	$1,356	$1,458
Saskatchewan	1,208	1,264	1,544
Manitoba	1,416	1,381	1,468
Averages	$1,318	$1,333	$1,490

The salary range moved slowly upward, chiefly during 1943-1946, in the three provinces. The biggest advances were secured by the lowest-grade female clerks, typists, and operators. There were some additional salary increases in 1947.[48]

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[45] Information as of Nov. 5, 1946, from W. C. Bruce, Deputy Minister and General Manager of the Alberta Government Telephones.

[46] Information as of Oct. 23, 1946, from W. H. Warren, Deputy Minister of Telephones in Saskatchewan.

[47] Information as of Dec. 19, 1946, from W. H. Backhouse, Comptroller of the Manitoba Telephone System. Some temporary employees are included. Cf. Goldenberg, *Report of the Government Commercial Enterprises Survey*, p. 23.

[48] The new Classification and Pay Plans of 1946-1947 in Manitoba resulted in average increases of 10 per cent for the staff. The majority of the operators and technical employees covered by union contracts were raised from 6 to 10 per cent in 1947. These increases are not included in the averages given above. The last Government agreement with the telephone employees in Saskatchewan also provided considerable increases.

The superannuation systems in 1947 were contributory in the three provinces. In Manitoba the employees of the Telephone System who were "permanent" were covered by the regular Manitoba Civil Service Superannuation Act of 1939, as amended.[49] In Saskatchewan the telephone employees have their own separate system. In each instance the provisions differed to a marked degree, with possible maximum pensions of $2,000 in Saskatchewan and "forty-sixtieths of the average annual salary" in Manitoba. A more liberal arrangement was found in Alberta, where the employee received, in addition to the return on his own contributions of 4 per cent with interest, a specified amount paid by the Alberta Government Telephones based on salary and number of years of service. Except to make provision for persons in war service there were no major changes in the plans after 1939.

During the war years there were practically no changes in regular hours of work (as distinguished from overtime work), vacations, and leaves of absence; but a few slight alterations were made in 1945-1946. For example, Saskatchewan provided for the forty-hour and five-day week for all employees except clerical employees, whose hours were increased from 35½ to 37½ hours, with increases in salaries. Vacation leave was increased to three weeks after January 1, 1945. In Alberta there has been some reduction in hours of work, the outside forces being placed on a forty-hour week in 1946, and some increase in vacation periods. Alberta also has the five-day week.

In the negotiations preceding these changes the various organizations of telephone employees which exist in each of the provinces were active. In Manitoba and Alberta the outside employees are organized in unions with regular trade-union affiliations. The inside staff members in Alberta are organized under a "Plan of Employee Representation" and elect members annually to a committee to discuss employment conditions with representatives of the official side. In Saskatchewan both the inside and outside employees are united in chartered locals of the Canadian Congress of Labour, which are recognized as the bargaining agents under the provincial laws. This union has been among the most vigorous in presenting its demands.

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[49] Goldenberg, *Report of the Government Commercial Enterprises Survey*, p. 24.

Reports indicated that up to October, 1946, of the veterans who were on leave approximately 65 per cent in Alberta and 70 per cent in Saskatchewan had returned to their former positions or to positions of a higher category. No particular problems of reinstatement had appeared in 1947, and none may be expected so long as the services are expanding.

THE EMPLOYEES OF THE CROWN CORPORATIONS IN SASKATCHEWAN

The crown corporations in Saskatchewan are creations of the C.C.F. Government which swept into power in 1944 with a non-Marxist socialist program modeled in the main on that of the British Labour party. After it achieved its first major Canadian political success in a province with slightly over 800,000 population, with few natural resources, and with a wheat economy, some of the first efforts of this Government were aimed at securing an increased industrialization in the province and a greater stabilization of the economy. An instrument for achieving these ends has been the crown corporation, characterized by the leading C.C.F. theorist as a device for hitching the "managerial techniques of private capitalism to the state machine."[50]

The planning body which was set up to do the necessary research and to advise the Government has been the Economic Advisory and Planning Board. This board, which included originally four and later six ministers among its membership, has operated under the chairmanship of a British Socialist and industrialist, George W. Cadbury. It replaced an Economic Advisory Committee which had been appointed in the fall of 1944 and which went out of existence the following year. Its composition has made the Economic Advisory and Planning Board in fact an inner committee of the Executive Council, and any recommendations regarding the crown corporations have customarily received speedy approval.

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[50] Frank R. Scott, "Constitutional Adaptations to Changing Functions of Government," *Canadian Journal of Economics and Political Science*, XI (Aug., 1945), 335.

The legislative basis for these crown corporations was provided in the Crown Corporations Acts of 1945 and 1947.[51] Under these acts the crown corporations were authorized to "operate any designated industrial, commercial, financial or public utility enterprise or undertaking." By July, 1947, after several consolidations, there were ten crown corporations in existence.[52] Among these is included the Saskatchewan Government Insurance Office, a crown corporation created by special act and not subject to the provisions of the Crown Corporations Act of 1947. Authorization was given to the Lieutenant-Governor in Council by separate legislative enactments in 1947 to convert the Saskatchewan Government Telephones and the Saskatchewan Power Commission into crown corporations.[53] By July, 1947, the Government had, as indicated, acted in the case of the Government Telephones but had not altered the status of the Power Commission.

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[51] *Statutes of Saskatchewan*, 1945, c. 17; 1947, c. 13. The Act of 1947, in addition to making other changes in the Act of 1945, included a new Part II creating the "Government Finance Office" and a new Part III establishing the "Industrial Development Fund."

[52] According to the official records of their secretary in early July, 1947, the then existing crown corporations, together with their dates of establishment, were:

1. Saskatchewan Government Printing Co. (O.C.859/45, June 8, 1945).
2. Saskatchewan Lake & Forest Products Corp. (O.C.873A/46, May 23, 1946); consolidation of: Saskatchewan Timber Board (O.C.1576/45, Sept. 1, 1945); Saskatchewan Box Factory (O.C.1612/45, Nov. 5, 1945); Saskatchewan Fish Board (O.C.1070/45, July 20, 1945).
3. Saskatchewan Fur Marketing Service (O.C. 1525/45, Oct. 19, 1945).
4. Saskatchewan Industries (O.C.1126/46, July 5, 1946); consolidation of: Saskatchewan Wool Products (O.C.838/45, June 5, 1945); Saskatchewan Leather Products (O.C.870/45, June 12, 1945).
5. Saskatchewan Transportation Co. (O.C.168/46, Jan. 29, 1946).
6. Saskatchewan Reconstruction Corp. (O.C.676/45, May 8, 1945).
7. Saskatchewan Reconstruction Housing Corp. (O.C.1190/45, Aug. 17, 1945).
8. Saskatchewan Minerals (O.C.724/45, May 15, 1945); consolidation of: Saskatchewan Clay Products (O.C.724/45, May 15, 1945); Saskatchewan Sodium Sulphate (O.C.1125/46, July 5, 1946).
9. Saskatchewan Government Insurance Office (*Statutes of Saskatchewan*, 1946, c. 10).
10. Saskatchewan Government Telephones (O.C.751/47, May 9, 1947).
11. Saskatchewan Government Airways (O.C.1200/47, July 23, 1947, and amendment O.C.1325/47, Aug. 20, 1947).

[53] *Statutes of Saskatchewan*, 1947 (unbound), Bills Nos. 79 and 90. The Saskatchewan Government Telephones and the Power Commission have been discussed above, pp. 222-223, 229.

Four types of crown corporations have been established. These include the corporations for marketing and processing primary products, those for the operation of public utilities, those engaged in consumer-goods production, and those providing certain social services.[54] The Government exercises control over them through several media. The members of the boards of corporations, from three to five in number in each case, are appointed by the Lieutenant-Governor in Council, and a designated minister acts as the chairman.[55] The Industrial Executive, a position held in 1946-1947 by the same official who was chairman of the Economic Advisory and Planning Board, is a member of the board of each corporation. The nonvoting secretary of all the corporations is an employee in this Office of the Industrial Executive. The Government Finance Office, a special corporation created by the Crown Corporations Act of 1947, receives the corporations' profits, regulates their reserves, makes loans to them, and co-ordinates generally their fiscal policies. A Consultative Committee composed of several ministers and the chief officials of the crown corporations considers questions of common interest to the corporation (including personnel problems). The provincial Legislature has a regular Committee on Crown Corporations to which periodical reports are made through the responsible ministers.

Personnel matters in the crown corporations are left in the hands of the individual managers. In cases of amalgamation, there is a separate manager for each unit. Some variation is consequently possible in the practices of recruitment, promotion, and dismissal. The managers are, however, restricted by the provisions of the collective agreements with the unions. They are also bound by the labor legislation of the province applying to their employees; in fact, these legislative enactments determine the conditions and establish the scope within which the collective agreements can be negotiated. One of the most basic of these acts is the Trade Union Act of 1944,[56] which provides for the designation of bargaining units in the enterprises, prohibits unfair employer and employee practices, requires employers and employees to bargain collectively, and establishes a Labour Relations Board of seven members to hear appeals from violations. The Hours of Work Act providing for the forty-four hour week and the eight-hour day for most nonagricultural workers in the province, which went into effect on July 1, 1947,[57] applies to the employees of the crown corporations. The Minimum Wage Act is also applicable.[58]

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[54] Premier T. C. Douglas, "Address-in-Reply to the Speech from the Throne," Feb. 4, 1947, pp. 19-22.

[55] "The normal form of organization for a nationalized British industry or undertaking is the government corporation, within which policy is set and management supervised by a board of directors. Labor governments consider it better policy to have corporations answerable to and dependent upon responsible ministers, whereas conservative governments have tried to keep them out of politics by stressing their autonomy" (W. Hardy Wickwar, "Social Democracy in the British Commonwealth," *Journal of Politics*, IX [May, 1947], 249).

The employees of the crown corporations are in most cases organized. Certain of the unions are directly chartered by the Canadian Congress of Labour, and others are both C.I.O.-C.C.L. affiliates. The unions are not united except through the regular Canadian Congress of Labour organizations. A sympathetic Government has negotiated separate agreements with each of the existing unions, though a common pattern runs throughout all of them. The agreements are negotiated annually, with the chief changes being made in the wage schedules.[59] They recognize the unions as sole bargaining agencies, guarantee the "union shop" and the "check-off," and contain provisions regulating seniority, leaves of absence, vacations, holidays, hours of work, and grievance procedures. In 1947 the Government was hoping to negotiate a master agreement with representatives of the unions of the industrial corporations and of the Congress of Labour to cover most matters except wages.[60] Only the wage schedules and other items not subject to common agreement would then be dealt with separately.

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[56] *Statutes of Saskatchewan*, 1944, 2nd Sess., c. 69.

[57] *Ibid.*, 1947, c. 103; Saskatchewan *News*, April 7, 1947, p. 2.

[58] See latest amendment in *Statutes of Saskatchewan*, 1947, c. 104.

[59] Cf. the early agreement of Dec. 1, 1945, "between Saskatchewan Wool Products . . . being a Crown Corporation of the Province of Saskatchewan . . . and the Textile Workers' Union of America, Local No. 750, C.I.O. . . ." with subsequent agreements. Managers of two of these corporations criticized certain of these early agreements as having been made too hastily and as placing unnecessary obstacles in the managers' path.

Salary averages are generally higher in the crown corporations than for comparable work in the regular public service. The justification for this difference lies in the necessity for competing with the wage policies of private industrial enterprises and in the absence of certain of the advantages which an employee in the public service possesses. One of the most important of these consists of superannuation benefits which, while under consideration for the employees of the crown corporations, had not been extended to them prior to August, 1947. Relations with the employees have generally been good, though there have been occasional strike threats.[61]

In view of the brief period in which the crown corporations have been in existence, only tentative conclusions as to their operations can be made. It is clear that the number of employees of these corporations in 1947 was still quite small after three years of development. On September 30, 1946, there were only 622 employees of the then existent corporations. The Saskatchewan Government Telephones, which was added to the list in 1947, had in July of that year more employees than the remainder of the crown corporations combined. In terms of the amounts of their capitalization and the extent of their employment, they do not bulk large as yet in the economy of the province.

The crown corporations of Saskatchewan, as compared to the federal crown corporations, are looked upon as permanent instrumentalities for implementing a long-range governmental program, rather than as special devices for dealing with economic problems which cannot for particular reasons be left to private industry. In other words, they are not looked upon as emergency substitutes for private enterprise. The composition of the boards in the two jurisdictions differs considerably, and the chairmanship, held invariably by a minister of the Crown in Saskatchewan, stresses the role of the corporations as "instruments of the Government." They are not looked upon either in theory or in fact as "independent" agencies, as they are in some cases of federal crown corporations. Furthermore, the means of co-ordination in the province provides for an over-all unity in political and fiscal directions which is not desired and which is not present in most of the federal crown corporations. In contrast to the uncertain liability of the corporations in the federal sphere, those in Saskatchewan are subject to suit in the ordinary courts in contract and possibly in cases involving the torts of their employees.[62] Nevertheless, the corporation employees in Saskatchewan have been kept distinct from those in the regular public service, and there is at least as wide a differentiation between the status of an employee of a crown corporation and of a government department in Regina as there is in Ottawa.

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[60] Agreements with the C.C.L. affiliate in the Saskatchewan Government Telephones and the Mental Hospitals would not be subject to common negotiation.

[61] For a "work stoppage" in the summer of 1947 in the Saskatchewan Box Factory (expropriated in 1945), and the vigorous disciplinary measures taken, see the Vancouver *Sun*, July 28, 1947, p. 22. Approximately 70 of the 90 employees, who were members of the Prince Albert Woodworkers' Union (C.C.L.) were dismisssed on July 26, following their refusal to work until two dismissed employees had been reinstated. After negotiations, the case of the two employees was referred to arbitration. The Arbitration Board decided that both employees were entitled to reinstatement, one of them without any reimbursement for lost pay. The award of the Arbitration Board was apparently accepted by both sides without comment.

The relative success of the crown corporations in Saskatchewan can be viewed from many angles, any one of which will furnish a subject for continuing controversy.[63] Despite the peculiarly difficult economic and legal problems posed by this agricultural province, with its absence of trained industrial technicians, the Government can point to some tangible accomplishments, albeit on a limited scale. The program of the Government calls consequently for the continued development of the crown corporations and especially of those for exploiting newly discovered natural resources.[64] At the same time it is moving with greater caution and after more careful investigation than during the earliest experimental days. At the present rate of development, the new crown corporations will provide employment for a slowly increasing percentage of the limited number of nonagricultural employees in the province.

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[62] *Statutes of Saskatchewan*, 1947, c. 13, sec. 3. The legal advisers of the Government, who drafted these provisions, have expressed some uncertainty as to the possible future judicial interpretation in cases involving torts.

[63] On the purely fiscal aspects of the developments of the crown corporations, cf. "Tryout of Socialist Theory is Expensive," *Financial Post*, June 28, 1947, p. 1., and the reply in *Commonwealth*, July 16, 1947, p. 5.

[64] Provincial Treasurer Fines, *Budget Speech*, *Session 1947* (Regina, 1947), pp. 9 ff.

LIQUOR BOARD AND COMMISSION EMPLOYEES

The history of liquor regulation in Canada has been marked by considerable experimentation and by long and interesting legal controversies over the relative spheres of the Dominion and the provinces. Passing over the early developments, the period 1916-1918 witnessed the introduction of wartime prohibition in all provinces except Quebec. Quebec passed a prohibition act in 1919. This policy barely survived the end of hostilities in several of the provinces and territories; and in 1921, Quebec, British Columbia, and the Yukon Territory replaced their prohibition laws with systems of governmentally controlled liquor sales. Manitoba in 1923, Alberta in 1924, Saskatchewan in 1925, Ontario and New Brunswick in 1927, Nova Scotia in 1930, and Prince Edward Island in 1948 followed suit. There are many variations in the provincial regulations, but with some qualifications they all provide today for the "provincial monopoly of the retail sale of alcoholic beverages."[65]

Down to 1939 there was a small amount of applicable federal legislation within that limited sphere recognized by the Privy Council as belonging to the Dominion. In 1928 the Federal Government had passed the "Importation of Intoxicating Liquors Act,"[66] which prohibited the importation into a province of any "intoxicating liquors unless consigned to His Majesty, the Executive Government, or government agency vested with the right of selling intoxicating liquor." In World War II certain added Dominion controls resulted from the desire to release man power and to conserve material. Following the War Order No. C.C.14, Order in Council P.C. 11,374 was issued on December 16, 1942. This order in council prohibited the "production of distilled spirits for beverage purposes" and the advertising of "spirits, wine and beer," and contained certain other restrictions. These federal regulations were largely removed in 1944 and 1945.[67]

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[65] Dominion Bureau of Statistics, *The Control and Sale of Alcoholic Beverages in Canada* (Ottawa, 1945), p. 4.

[66] *Statutes of Canada,* 1928, c. 31.

During the war there were also new provincial measures limiting the hours of sale, fixing quotas, and regulating the distribution of the limited supplies. The provincial wartime legislation and special restrictive regulations have also been repealed or revoked.

In theory efforts were originally made to create liquor boards and commissions which would enjoy something of an independent status, bodies which would play the role of regulatory and commercial bodies removed from the main currents of provincial politics. Legally, however, they have been recognized as instrumentalities of the Crown and are subject to suit only by fiat. There is a high degree of finality of administrative determination in the hands of these bodies. The statutes, which differ in certain particulars in each province, prescribe in detail the relationships to the attorney-general, the provincial treasurer, and the provincial legislature. Net profits are regularly paid into the provincial treasury. The Lieutenant-Governor in Council appoints the members of the boards and commissions or general managers who are in charge of the liquor enterprises. With reference to one of the commissions, the Quebec Liquor Commission, Duff, J. commented as follows:

> That the Commission is an instrumentality of government is clear from the circumstances that the members of the Commission are appointed by the Governor in Council and are removable at pleasure (s.6); that all property in the possession of or under the control of the Commission is expressly declared to be the property of the Crown; and that all moneys received by the Commission at the discretion of the Provincial Treasurer are remissible to him, and, on receipt by him, become part of the consolidated funds of the province (s.18); that the Commission is accountable to the Treasurer in the manner and at the times indicated by the latter (s.19). The Commission, moreover, exercises authority respecting the sale of liquor in the Province, and infractions of the law

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[67] See comments in *Report of the New Brunswick Liquor Control Board*, 1944-1945, p. 6.

dealing with that subject are prosecuted where the infraction occurred. By s.13, the employees of the Commission are declared to be public officers, and they are required to take the oath of public service as such.[68]

The tendency has been either to start with a single-member commission or board, or later to replace a multiple-member commission or board with a single official. Where a collegial body exists, the effective control has usually gravitated into the hands of the chairman or chief commissioner. Changes have been easily made, especially where the statutes give the Lieutenant-Governor in Council the discretion as to the number of members to be appointed.[69] The Government in Quebec, after a swing in the political pendulum, dismissed the five members of the commission and transferred all powers to a general manager. British Columbia has alternated twice between a three-member and a one-member commission and has had the latter since 1932. In contrast, the board in Alberta had one member from 1924 to 1937, two members from 1937 to 1945, and three members from 1945 to the present. The Liquor Control Board of Ontario also consists of three members.

The original boards and commissions were looked upon primarily as agencies of control and distribution. It was not until later that their earning capacities were fully recognized, and with this recognition there vanished the prospects of independence and nonpartisanship of the governing bodies. Today they are one of the most important single sources of provincial revenue.[70]

At the same time the control of the liquor trade has provided an important though indirect source of party campaign funds. In fact, the multitude of favors and controls[71] exercised makes the liquor boards and commissions the real fiscal heart of the party in power in two of the provinces to the east of Ontario. The "devotion" of the employees of the commission to the Liberal party in Nova Scotia was so great, according to a provincial minister, that the employees would resign rather than work when another party was in power.[72] The membership of the commission changes in Ontario after each party change, though the majority of the staff are not usually affected. In the four western provinces the political controls have been greatly reduced. In none of these provinces does a party shift normally result in any important changes in personnel.

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[68] *The Quebec Liquor Commission* v. *W. H. Moore* (1924), 4 D.L.R. 901 at p. 910.

[69] In Saskatchewan the Lieutenant-Governor in Council is authorized to appoint the members of the " 'Liquor Board' consisting of one, two or three members" (*Revised Statutes of Saskatchewan*, 1940, c. 279, sec. 3).

[70] The net revenues from "liquor control" ranged in 1939 from $1,275,799 in New Brunswick to $6,470,864 in Quebec and $10,129,159 in Ontario; they ranged in 1944 from $3,497,089 in New Brunswick to $14,034,564 in Quebec and $21,024,903 in Ontario. In 1943 approximately one sixth of the total net ordinary and capital revenues of the provinces came from liquor control. By 1945 approximately $110,000,000, or one fourth of the $445,000,000 total revenue (including $95,000,000 "from Ottawa") was derived from liquor profits (*Financial Post*, XLI [Feb. 1, 1947], 3).

Most of the personnel of the boards and commissions do not need a high degree of technical skill; and appointing officers of some commissions are not inclined to expect more of most of their employees than honesty and an ability to operate a truck, to wrap bottles, or to count money. Tenure may be fairly certain in a province such as Nova Scotia, where there has been a long record of Liberal party domination; that is, if the employee "votes right" on election day. It is also rather certain in the western provinces, where permanence of tenure is generally accepted. It may be much more uncertain in a province such as Quebec, where there is no tradition of permanence among the liquor commission employees and where there have been frequent political shifts. Heavy changes in personnel, especially among the higher-paid officials and the special police, occurred after the elections in 1936, 1939, and 1944, and particularly after the election in 1936. These factors may be more important in determining the tenure and status of the employees than whether they fall under the jurisdiction of the Civil Service Commission, as in New Brunswick, or outside its jurisdiction, as in Nova Scotia, British Columbia, and Alberta.

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[71] An extreme form of control was exercised in the Province of Quebec in Dec., 1946, when the General Manager of the Quebec Liquor Commission, acting on direct orders from Premier Duplessis, revoked the liquor license of a Montreal restaurant owner because he had persistently furnished bail for members of the Jehovah's Witnesses sect. Members of the sect had been charged with a violation of local ordinances (Montreal *Daily Star*, Dec. 5, 1946, p. 3). The accounts in Ken Johnstone, "Quebec's Liquor Racket," Montreal *Standard Magazine*, April 5, 1947, pp. 3 ff., and Blair Fraser, "Shakedown," *Maclean's Magazine*, Nov. 15, 1945, are not exaggerated.

[72] The history of dismissals in the Liquor Commission after the political changes in 1925 and 1933 indicates an established habit in the province to encourage this particular kind of devotion (R. MacGregor Dawson, "Memorandum on the Civil Service of Nova Scotia," *Report of the Royal Commission, Provincial Economic Inquiry*, pp. 48-49).

Though there has been some increase in the number of employees of the liquor boards and commissions, it has not been as great as the rapid increase in liquor sales might suggest. The following approximate figures indicate the growth in the provinces:

	1939	*1946*
Nova Scotia[73]	201	358
Ontario[74]	873	1,284
Alberta[75]	245	405
Quebec[76]	536	715
British Columbia[77]	360	550
Saskatchewan[78]	376	326
New Brunswick[79]	163	247
Manitoba[80]	275	330
Totals	3,029	4,215

The information on salaries is scattered. Average salaries in certain provinces for the specified dates were as follows:

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[73] Information as of Sept. 16, 1946, and March 8, 1947, from A. S. Mahon, Chief Commissioner of the Nova Scotia Liquor Commission.

[74] *Thirteenth Report of the Liquor Control Board of Ontario*, p. 6; *Twentieth Report of the Liquor Control Board of Ontario*, p. 14. These figures include part-time employees.

[75] Information as of Aug. 6, 1947, from A. J. Mason, Chairman of the Alberta Liquor Control Board.

[76] Quebec Liquor Commission, *Eighteenth Annual Report, 1938-1939*, p. 9; *Twenty-fifth Annual Report, 1944-1945*, p. 9.

[77] *Twenty-fourth Annual Report of the Liquor Control Board, 1944-1945*, p. 5; information as of July 30, 1947, from W. F. Kennedy, Chairman of the Liquor Control Board.

[78] Information as of Oct. 2, 1946, from William P. Turner, Secretary and Executive Assistant of the Public Service Commission of Saskatchewan; also Liquor Board, *Fourteenth Annual Report*, pp. 6-7.

[79] Information as of Jan. 8, 1947, from W. C. Lawson, Commissioner.

[80] Information for 1946 from the classification officers of Manitoba. Figure for 1939 is estimated.

	1939	*1943*	*1945-1946*
Nova Scotia[81]	$1,438	$1,454	$1,699
Ontario	1,256	1,258	1,639
New Brunswick	1,399	1,453	1,695
Saskatchewan	1,340	——	1,678
Alberta[82]	1,572	1,593	1,563
British Columbia	——	——	2,126

In most provinces there is no special classification of the employees; but in Manitoba, Saskatchewan, and British Columbia the official charged with reclassification of the regular public service also provided classifications which were put into effect for the liquor boards and commissions. In these provinces the salary schedules are roughly "co-ordinated" with those in the public service; in the others there is a tendency to pay slightly higher salaries and wages than for "comparable" work in the classified service. As in the case of most types of public employees, the salary ranges are higher in British Columbia than in any of the other provinces.

The employees of the liquor boards and commissions are covered by superannuation systems which are, in most cases, the same systems covering the bulk of employees of the province. In the exceptional case a system has been confined to employees of the commission, as in British Columbia and Saskatchewan. Since most of the changes in superannuation systems affecting these employees have consequently been considered in a discussion of the provincial civil servants, no further mention need be made here.

In some provinces the liquor board employees at the end of 1946 were not organized, notably in Nova Scotia, New Brunswick, and Alberta. In Quebec some of the liquor commission employees have been affiliated at one time or another with l'Association des Fonctionnaires de la Province, though not always with official encouragement. With less discouragement from official quarters after a new general manager was appointed in 1947, the employees were again showing signs of interest in the activities of the association. In British Columbia some members of the staff of the Liquor Control Board have been members of the B.C. Government Employees' Association. In Saskatchewan the employees are organized in a unit of the Civil Service Association of that province, which acts for them in collective bargaining with the Government.

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[81] An "inconsequential" number of part-time employees are included in the averages.

[82] The averages include temporary and casual employees, the later calculated on a full-time basis. The large number of casual employees used in 1943 and 1945-1946 helps explain the slight changes for those years, as compared with 1939.

In contrast to the effects of the war on employees of other commercial enterprises, the hours of service of liquor boards and commissions employees were shortened and otherwise altered in several provinces. These changes were largely the result of various federal and provincial restrictions on the sale of alcoholic beverages. A return to "normal" has consequently represented usually a return to longer hours and more work. Generally the hours of work and holiday and leave rights are similar today to those in the regular public service. Despite the continued political obstacles to change in several provinces, there has been a slow and gradual tendency elsewhere to narrow the gap between the status of a classified public employee and an employee of the liquor boards and commissions.

CONCLUSION

The personnel policies of the provincially owned electric power and telephone systems offer interesting comparisons with those of the provincial liquor boards and commissions. In the case of the provincially owned utilities, political partisanship and favoritism have been greatly reduced,[83] though not eliminated, as the developments in 1946-1947 in Ontario illustrated; in the other agencies they have normally been an ever-present feature of the system. In several provinces, including Nova Scotia, where they operate side by side, the provincially owned electric power systems and the liquor commissions represent extremes in terms of the presence or absence of political manipulation.

Several explanations can be offered for this difference. One has been the type of leader who has headed the electric power commissions. High standards were set by the first chairman of the Hydro-Electric Power Commission in Ontario, Sir Adam Beck, who served from 1906 to 1925. This tradition was maintained by such men as Thomas H. Hogg, in Ontario, and E. J. Cragg, Commissioner-Manager of the Nova Scotia Power Commission. These appointees may be compared with the political stalwarts who have regularly been put in charge of the personnel of the liquor commissions. Again, the publicly owned power systems in the provinces have been essentially developmental in character, and, while they are expected to meet costs in a broad sense, they have not been operated for profit. In contrast, the liquor commissions have become a most lucrative source of provincial revenue as well as an important indirect source of financial support for the political party in power. The power commissions have operated under competitive conditions in some cases, whereas the liquor commissions have had an absolute monopoly. The power commissions require a larger percentage of technicians and persons with specialized training than the liquor boards and commissions. These are the major reasons for the differences in the personnel policies and practices in certain of the provincial commercial enterprises, and they will also help explain why most of the liquor boards and commissions furnish the lowest personnel standards in the provincial public service.

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[83] Note the appraisals by Professor Brady in "The Ontario Hydro-Electric Commission," p. 347, and in the *Report on Electric Power*, pp. 42-45.

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Canadian Public-School Teachers

THE CANADIAN EDUCATIONAL system possesses several distinctive characteristics which affect basically the status of the public-school teachers. Subject to the few restrictions imposed in the British North America Act, designed to protect the rights of religious minorities, the control over education is assigned to the provinces. Section 93 of the British North America Act requires provincial legislatures to recognize any right or privilege possessed by any class of persons with respect to denominational schools at the time of union. Religious minorities are given certain rights of appeal against actions of provincial authorities. Additional limitations have been inserted in the statutes creating the three Prairie Provinces. Other than providing enforcement for these limitations, the Federal Government in Canada, as in the United States, can exercise legal controls in the field of education only by indirection or through the use of special emergency powers. Again, there are wide variations between the school systems in the wealthier and in the poorer provinces, as well as between the rural and urban schools within the same province. The importance of the one-teacher school is evidenced by the fact that of the 20,610 school administrative districts in Canada in 1943, 14,682 employed only one teacher.[1]

American educational influences have been especially marked in the institutions and practices of the primary and secondary educational systems.[2] Except in the Province of Quebec, teacher training, textbook arrangements, and regulations and courses of instruction do not differ in essentials from those found in the United States.

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[1] Canada and Newfoundland Education Association, *Report of the Survey Committee* (1943), p. 21.

[2] See Alexander Brady, *Canada* (Toronto, 1932), pp. 301 ff.

While there is some diversity in all of the provinces, the Province of Quebec has the most distinctive school system. Its main features date back to the Education Act of 1846.[3] Although there is in name one department of education headed by a Superintendent and a Council of Public Instruction, there are actually two school systems under the Department of Education.[4] The Council of Public Instruction consists of separate Protestant and Roman Catholic committees, each of which has a secretary who serves as a Deputy Minister of Education. Each committee and secretary has in practice almost final jurisdiction over one distinctive school system.

It is this dual school system which most French Canadians and some other Catholic minorities wish to see introduced in all provinces of Canada.[5] This special school system in Quebec, coupled with the necessary delicacy with which the Dominion Bureau of Statistics handles the incomplete statistics from that province, often makes any Dominion-wide comparisons hazardous and current comparisons impossible.

DOMINION-PROVINCIAL RELATIONSHIPS

Despite the growing amount of direct provincial legislative and administrative control over them, the school systems still remain to a large extent under the control of local authorities. The chief provincial controls are exercised in designing the school curricula, prescribing for the training and certification of teachers, and inspection of the schools. The local authorities usually have control over most other matters, including the appointment, promotion, and dismissal of teachers. However, a growing amount of jurisdiction over certain of these subjects is being placed in the hands of provincial authorities, such as over dismissals of teachers in British Columbia. The local authorities also fix teachers' salaries, subject to an increasing amount of provincial legislation prescribing minima to be paid.

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[3] A sympathetic but understanding explanation of the French-Canadian point of view may be found in Mason Wade, *The French Canadian Outlook* (New York, 1946).

[4] For brief descriptions of the Protestant system, see W. P. Percival, *Life in School* (Montreal, 1940), chaps. 1-3, and of the Catholic system, see Charles E. Phillips, "The Schools of Quebec," *Canadian Education*, I (No. 2, 1946), 58-80. These accounts were prepared by the Secretary of the Protestant Committee and by the former Secretary of the Canadian Education Association respectively. Some specialized types of schools fall under the jurisdiction of other departments, and certain schools are under one department for administrative purposes and another department for pedagogical purposes. Secular public schools do not exist in Quebec.

[5] See *Report of the Royal Commission on Dominion-Provincial Relations* (3 vols.; Ottawa, 1940), II, 50-51. The agitation has been particularly strong in New Brunswick, where *de facto* separate schools for Catholics exist in a number of localities. The population of New Brunswick in 1941 was approximately 36 per cent French in descent.

The public schools are financed primarily by local taxation, though the increase in financial assistance to the local authorities has been quite marked in certain provinces since 1939. The total amount of provincial aid, which has normally ranged between 18 and 30 per cent of the total educational costs in most provinces,[6] rose in Nova Scotia from 28 per cent in 1938 to 42 per cent in 1945. The percentage of current school revenue from provincial sources rose in British Columbia from 30 per cent in 1941 toward the 50 per cent level projected in the Cameron Report of 1945.[7] This trend was accelerated in some provinces in 1946-1947. In Alberta, by way of example, the province bore 21 per cent of all elementary and secondary educational costs in 1946-1947 and was to assume 33 per cent of these costs in 1947-1948.[8] This increasing financial aid carries with it at least the seeds of greater provincial administrative control,[9] and has gone hand in hand with the trend toward larger units for local school administration.

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[6] The average percentages are difficult to estimate in such provinces as Saskatchewan, where the percentage of provincial aid may vary from 15 per cent to 75 per cent of the total for a unit, depending on "need" and the various other factors.

[7] Maxwell A. Cameron, *Report of the Commission of Enquiry* (Victoria, 1945); Col. F. T. Fairey, "The Implementation of the Cameron Report in British Columbia," *Canadian Education*, II (No. 1, 1946), 83-90. In 1946 the provincial grants represented only approximately 46 per cent of the total, chiefly because of increases in teachers' salaries not assumed in the Cameron Report. On the implementation of the Goldenberg Report of 1947, which recommended increases in the provincial contributions for educational purposes, see Finance Minister Anscomb, *Budget Speech, February 26, 1947* (Victoria, 1947), pp. 30-31, 37-46. The Prince Edward Island Legislature provides a larger percentage of money for educational purposes, the appropriation representing in 1945 about two thirds of the total (*Canada Year Book*, 1946, p. 1023). There are no rural municipalities in Prince Edward Island.

[8] Alberta Teachers' Association, *Officers Reports and Resolutions*, April 7-9, 1947, p. 7.

The relationships between the provinces, as far as teacher exchanges are concerned, have undergone little change in recent years. There have been discussions of greater co-operation in these exchanges[10] and of greater uniformity in pupil accreditization. The provisions for more uniform practices, however, have not passed far beyond the discussion stage.

The war period saw the Dominion Government undertake various educational activities under the War Measures Act. These included the arrangements for training industrial workers. Special types of educational projects were worked out for the armed services, such as that of the Educational Section of the Air Force after 1942 and that of the Directorate of Army Education after 1943. Correspondence courses arranged by the Canadian Legion Educational Services had official sanction and assistance. Most of these activities involved few civilian teachers and represented primarily an extension of the military activities. On the civilian side, however, the National Film Board, the Canadian Broadcasting Corporation, and other agencies provided new types of educational services.

Along with these developments the Dominion Government adopted certain measures which directly affected the public-school teachers.[11] An order in council of July 17, 1943, provided that teachers must continue in their positions during the regular school year. They had to secure the approval of Selective Service before they could take other full-time employment, save in the case of agricultural or vacation employment.

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[9] The Province of Quebec assumed a large part of the local indebtedness of school commissions in that province in 1946-1947 (Montreal *Gazette*, October 18, 1947, p. 9).

[10] In 1945, 50 such exchanges were arranged by the Canada and Newfoundland Education Association (*Canadian Education*, I [No. 4, 1946], 155). In 1948-1949 some 86 Canadian teachers will be transferred to another province or abroad for the school year (*ibid.*, IV [Dec., 1948], 31). The chief barrier to these exchanges within Canada has been the lack of uniformity in provincial teacher certification and pension systems (Ottawa *Evening Citizen*, Aug. 11, 1948, p. 32).

[11] On the prewar role of the Dominion Government in the field of education, see James Collins Miller, *National Government and Education of Federated Democracies, Dominion of Canada* (Philadelphia, 1940), especially chaps. 7-13.

Few permits were granted.[12] Teachers could leave their positions at any time, however, to join the armed forces. Whether they resigned or were granted leave of absence, these volunteers were assured of their former positions on their return under the Federal Re-establishment Order. Under war conditions there thus developed certain direct federal controls over teachers.

PERSONNEL STATISTICS

Of 92,000 persons gainfully employed in 1941 in "formal education," approximately 88,000 were classed as school teachers. Over 4,000 of this number were listed as "college professors or principals," and some 1,900 were on the staffs of various libraries.[13] Excluding all teachers of Quebec (except the Protestants), there were about 55,000 teachers in 1946 in the publicly controlled elementary and secondary schools of the provinces. A large majority of these were women.[14]

In the province of Quebec, according to official Quebec sources, the number of teachers increased from 26,347 in 1922 to 33,321 in 1944-1945.[15] Of this latter number 26,027 were employed in the Catholic and Protestant "primary" ("elementary," "intermediate," and "superior") schools and 6,974 were employed in the higher and specialized schools (classical colleges, normal schools, etc.). Of those employed in the "primary" schools, 23,511 were in the Catholic schools and 2,821 were in the Protestant schools. Roughly half of the teachers in the Catholic "primary" schools were in turn listed as "lay" teachers and the other half as "religious teachers" or "instructors." The ratio of women to men teachers in the province of Quebec was only slightly higher than that of all the provinces in 1944-1945.[16]

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[12] Wartime Information Board, "Canadian Schools and Universities in Wartime," *Reference Papers No. 25*, July 27, 1944, pp. 3-4.

[13] Dominion Bureau of Statistics, *Supply and Demand in the Professions in Canada* (Ottawa, 1945), p. 5.

[14] Canadian Teachers' Federation, *Statistical Report 1945-1946* (mimeographed and undated). In 1939 there were 14,718, and in 1945 there were 9,992 male teachers.

[15] Quebec Bureau of Statistics, *Statistical Year Book*, 1947, pp. 197, 202. The lay and religious teachers are employed in the same way by local Catholic school commissions or boards of trustees except that no fewer than four religious teachers (members of the various orders) are found in any one school. In 1946 the ratio of religious teachers to lay teachers was approximately 1 to 4 in schools with grades 1 to 7 only, but the ratio increased sharply in schools with the upper grades. The staffs of the classical colleges and of the French Catholic normal schools are religious teachers. In 1946 the Corporation of the Catholic Teachers of Quebec, composed of three federations, claimed to "represent" the more than 11,000 Catholic lay teachers in the province (Montreal *Gazette*, Aug. 29, 1946, p. 1). For a general description of the educational systems and practices in selected parishes of Quebec, see Horace Miner, *St. Denis, a French Canadian Parish* (Chicago, 1939) and E. C. Hughes, *French Canada in Transition*, chap. 11.

The number of public-school teachers has continued to increase since the last census in 1941. Officials of the Dominion Bureau of Statistics informally estimated that there were as many as 90,000 public-school teachers in March, 1947.[17]

EMPLOYMENT CONDITIONS

It is not easy to differentiate between conditions affecting teacher employment which may be attributed to the war and those which were merely accentuated or aggravated after 1939. In any case, the period from 1939 to 1947 has been characterized by teacher shortage, reduced teacher efficiency, low salaries, and generally unfavorable working conditions.

Almost every official provincial report indicates the extent to which the teacher shortage increased with each succeeding year after 1939. The reasons were varied: low salaries, community interference in the life of the teacher, the low prestige of the profession, greater appeal of competitive professions, marriage, poor working and living conditions in the rural areas, etc.[18] In 1946-1947 the Canadian Education Association (C.E.A.) estimated the country was short some 6,447 qualified school teachers, and statistics for later periods showed little, if any, improvement.[19]

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[16] *The Canada Year Book*, 1946, p. 1029, lists 74,547 teachers for the year 1944 as employed in "day schools" under provincial control. Of this number, 14,932 were males and 59,615 were females.

[17] F. K. Stewart, Executive Secretary of the C.E.A., reports that a comprehensive C.E.A. study of the present status of teachers will be published early in 1949.

[18] According to the C.T.F., *Report of the Committee Studying Teacher Shortage* (1947), especially p. 1.

[19] Summary in the *Financial Post*, Jan. 25, 1947, p. 3. Miss Ethel Coppinger, President of the C.T.F. in 1946-1947, reported in 1947 "that the shortage had reached the stage in Alberta where some schools employed what they

The situation was aggravated by a rapid turnover which was particularly high in the provinces with the largest percentage of rural schools and with the lowest salary scales. The rate of turnover for the whole Dominion in 1941 for persons with one year's teaching experience was 13.3 per cent in the rural schools, 3 per cent in the city schools, and 10.2 per cent in all schools. Excluding Quebec, the Dominion Bureau of Statistics found that there was a drop in the "median tenure" of all teachers in the other eight provinces from 2.8 years in 1939 to 2.5 years in 1945.[20]

These developments resulted in various expedients which were devised to cope with them. In Alberta resort was had in 1945-1946 to the following:

> a) Short courses of three months' duration have been offered at our Normal Schools, the graduating students being required to return for Summer Session to complete their normal one year programs.
> b) Some students have been accepted in the Normal Schools who do not have full Grade XII standing.
> c) The holders of lapsed or expired certificates, chiefly married women who have not taught for many years, had their certificates reinstated.
> d) Letters of authority were issued to persons who could show some evidence of having had professional training but who could not qualify for Alberta certificates.
> e) Some 150 rural schools have received instruction through the Correspondence School Branch of this [Education] Department, their work being directed by an uncertified person.[21]

Manitoba, Saskatchewan, and the three Maritime Provinces used some of the same methods,[22] and the situation was not

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call sitters, a nominal teacher with no training at all who simply handed out correspondence courses" (Montreal *Gazette*, March 7, 1947, p. 5. See also the *ATA Magazine*, XXVII [Sept.-Oct., 1946], 5). According to the Secretary-Treasurer of the C.E.A., there was a shortage of over 7,000 teachers in Canada in 1948-1949 (Ottawa *Evening Citizen*, Aug. 11, 1948, p. 23).

[20] *Teachers' Salaries and Qualifications in Eight Provinces*, 1945, p. 3.

[21] Communication as of March 15, 1946, from W. H. Swift, Chief Superintendent of Schools, Department of Education of the Province of Alberta. See also *Report of the Committee Studying Teacher Shortage.*

[22] See Canada and Newfoundland Education Association, *Trends in Education 1944* (Toronto, 1944), pp. 3-5. Cf. the methods used in postwar Britain to deal with the teacher shortage there (S. H. Wood, "England's Emergency Colleges for Training Teachers," *Educational Forum*, XII [Nov., 1947], 85).

far different at the beginning of the 1947-1948 school year.

The city schools in all the provinces have not been as seriously affected as the rural schools. The teacher shortage was never as acute in British Columbia as in the Prairie Provinces, primarily because of the much higher salary scale; in fact, it was estimated that over five hundred teachers from other provinces had been attracted to British Columbia schools by 1945-1946.[23] Furthermore, slight improvements over their low periods were reported in some of the provinces for 1946-1947, especially in Ontario.

The average (median) annual salaries in the provinces are low on the basis of almost any comparison, but they did increase during the war and particularly during the postwar period. For the publicly controlled schools of all provinces (except Quebec in 1945), according to the Dominion Bureau of Statistics, the average (median) "annual salary rates" had risen from $854 in 1939 to $1,207 in 1945 and to $1,308 by 1946, or an increase of 53 per cent between 1939 and 1946. In the city schools the increase was from $1,613 in 1939 to $1,839 in 1945; in the the town and village schools, from $960 in 1939 to $1,278 in 1945; in the rural schools of more than one room, from $839 in 1939 to $1,196 in 1945; and in rural schools of one room, from $607 in 1939 to $1,109 in 1945.[24]

The average for all teachers varied widely in the different provinces. The lowest average salaries were paid in Prince Edward Island, with $483 in 1939 and $633 in 1945, and the highest average salaries were paid in British Columbia, with $1,297 in 1939 and $1,552 in 1945.[25] There were variations in Quebec between the average salaries of the Protestant and Catholic teachers, the rural French Catholic women teachers averaging about $656 annually and the rural Protestant women teachers about $850 in 1945.[26]

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[23] Communication as of March 18, 1946, from C. D. Ovans, General Secretary of the British Columbia Teachers' Federation.

[24] *Teachers' Salaries and Qualifications in Eight Provinces*, 1945, pp. 1-3. In 1946 the average for the city schools was $1,926 and for one-teacher schools was $1,181 (Montreal *Gazette*, November 28, 1947, p. 8).

[25] *Ibid.*, 1945, pp. 6-7.

[26] According to Laure Gaudreau, President of the Federation of Rural Cath-

During the years 1945-1946 there were some adjustments upwards in all of the provinces. The case of Saskatchewan may be noted:

> Prior to 1940 there was no provincial minimum salary for teachers. On July 1 of that year provision was made for a minimum salary of at least $700.00 per annum. As the war progressed salaries rose considerably above this minimum and on July 1, 1945, provision was made for the payment of a minimum salary of $1,200.00 per annum to all teachers who hold valid permanent certificates for this province and a minimum salary of $1,000.00 per annum to all other teachers.[27]

Considerable increases in most of the provinces were reported in 1946-1947, and others were projected for 1947-1948. Two illustrations might be cited. Median salaries for all teachers in British Columbia increased from $1,481 in 1943 to "around $1,600" in 1945-1946, and to $2,112 in 1947.[28] In Alberta it was reported in 1947 that "the average salary for teachers has increased approximately $100 for each of the past four years and is now estimated at close to $1,600."[29] Continued improvements in the salary structure were noted in other provinces, especially Nova Scotia, at the end of the 1947-1948 school year.[30] The following table, prepared by the C.E.A., gives recent data on the indicated aspects of teachers' salaries in Canada:

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olic Women Teachers (Montreal *Gazette*, Aug. 29, 1946, p. 1). The averages of the religious teachers is below that of the Catholic lay teachers, although various payments are made in "kind" to the former which are difficult to evaluate. There was in 1946-1947 a movement in the province to equalize salaries in the Protestant and Catholic schools, although the teacher qualifications are appreciably higher in Protestant schools and the tax rates for school purposes are not uniform between the Catholic and Protestant school jurisdictions. There were threats of mass resignations of rural Catholic school teachers in 1947-1948 because of refusal of many Catholic school commissions to pay more than the $600 annual minimum salary fixed by the 1945 legislation (Montreal *Gazette*, April 30, 1947, p. 3).

[27] Communication as of April 10, 1946, from R. J. Davidson, Registrar, Department of Education of the Province of Saskatchewan.

[28] British Columbia Teachers' Federation, *Report to the 1947 Canadian Teachers' Federation Conference* (mimeographed), p. 2.

[29] Alberta Teachers' Association, *Officers' Reports and Resolutions*, April 7-9, 1947, p. 7; *ATA Magazine*, XXVII (Sept.-Oct., 1946), 32-33.

[30] *Minutes of the Twenty-Seventh Conference of the Canadian Teachers' Federation* (August 9-12, 1948), pp. 14 ff.

Statutory Minimum Salary for Fully Qualified Teachers in Canada and Newfoundland, 1948-49

Province	Statutory Minimum Salary for Fully Qualified Teachers Applicable to Virtually All Schools	Median Salary in Rural Schools
Prince Edward Island	$ 650 (3rd class license only. $850 for 2nd class license; $1,000 for 1st class license.)	$1,025
Nova Scotia	$1,020	$1,200
New Brunswick	$1,100 (Approximate)	$1,120
Quebec (Catholic)	$ 600	$ 900
Quebec (Protestant)	$ 600	$1,065
Ontario	No statutory minimum salary. (A condition of the payment of the township grant to rural public schools in organized townships is that the salary be at least $1,200.)	$1,688 (Not incl. semi-urban schools)
Manitoba	$1,200	$1,400 (Qualified tchr.) $1,000 (Permit tchr.)
Saskatchewan	$1,200 (Permanent certificate) $1,000 (Others)	$1,500
Alberta	$1,000	$1,750
British Columbia	$1,160 (Interim 1st class certificate.) Other statutory minima: $1,220 (perm. 1st class); $1,340 (univ. degree and teacher training); $1,400 (degree, training, and high school specialist.)	$1,600
NEWFOUNDLAND	$ 958 (Men) $ 898 (Women)	$ 945

C.E.A. Information Service, Report No. 22, Feb. 2, 1949

The continued inadequacy of these salaries prompted the C.T.F. as early as its 1946 meeting to demand a provincial minimum salary for all teachers of $1,500 per year, a modest figure when compared with the $2,400 minimum demanded by the National Education Association of the United States and adopted in November, 1946, by amendment to the state constitution, as the legal minimum in the state of California.

These teachers' salaries in Canada lend themselves to many comparisons. While care must be used in making broad comparisons, the average annual earnings of wage earners in manufacturing industry was $975 in 1939 and increased by 60.4 per cent up to 1944, whereas the average for the teachers was only $854 in 1939 and the increase up to 1944 was only 28.6 per cent.[31] These differentiations have been narrowed, but not eliminated, according to many spokesmen for the teachers.[32] The teachers' salaries are also compared unfavorably with those in the United States where the average salaries in 1947-1948 were estimated at approximately $2,476 for the school year. Due allowances must be made for differences in the cost of living, but it is nevertheless true that the real salary averages in Canada have remained somewhat below those in the United States.[33]

While there is no need to overemphasize the decided decline in the quality of the teaching personnel during the war period, two or three exhibits may be presented. The number of "Class 1 or higher" certificates for teachers remained fairly constant between 1939 and 1943, being 31,233 in the former year and 31,905 in the latter. The number of "Class 2" certificates declined sharply from 15,626 in 1939 to 10,530 in 1943. This decline continued throughout the war. In New Brunswick this situation was reflected in the use of 600 teachers out of a total of 1,500 rural school teachers who "have had no professional training and possess altogether too little scholarship."[34] Cases were reported of women in the rural schools of Quebec who were teaching pupils up to the seventh grade, although they had not themselves gone past that grade.[35] While the normal school registration showed an increase in 1946-1947, the number of registrants was far from adequate to meet the demand. The following table will give a comparative picture for the period 1945-1946:

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[31] The Royal Bank of Canada, *The Teaching Profession* (Montreal, Oct., 1947); cf. *Report of the Survey Committee,* p. 29. See also K. F. Argue, *Wealth, Children and Education in Canada* (Shawinigan Falls, 1945), pp. 5, 17, 18.

[32] See, for example, *A Brief Presented to the Royal Commission on Education by the Ontario Teachers' Federation,* March, 1946, pp. 16-17; Alberta Post-War Reconstruction Committee, *Report of the Subcommittee on Education,* March, 1945, p. 9.

[33] New York *Times,* July 21, 1946, sec. E, p. 10; Dec. 2, 1947, p. 31. The average salaries for 1948-1949 had climbed to $2,644 (*ibid.,* Jan. 10, 1949, pp. 1, 16). For comparative developments regarding teachers' salaries in England, see *The Times* (London), Feb. 6, 1948, p. 2.

[34] Communication as of March 23, 1946, from Fletcher Peacock, Director and Chief Superintendent of Education of the Province of New Brunswick.

Teacher Certification[36]

	PEI	Nova Scotia	New Brunswick	Quebec PAPT	Quebec Eng. Catholics	Ontario	Manitoba	Saskatchewan	British Columbia	Alberta	Totals
A.	714	3,500	3,096	2,700	——	23,033	4,353	8,000	4,400	5,640	55,436
B.	54	150	143	——	——	1,294	246	1,233	310	169	3,599
C.	120	500	600	160	——	852	654	2,000	350	——	5,236
D.	100	500	600	204	——	900	700	200	400	——	3,604

A. Estimated number of active teachers
B. Number of normal school graduates 1945-1946
C. Estimated number of teachers with temporary certificates engaged in 1945-1946
D. Estimated number of teachers with temporary certificates (or permits) engaged in 1946-1947

The working conditions of teachers were altered little during the war period. In many of the schools, especially those in rural areas, the conditions have been conservatively characterized as "drab and uninviting."[37] The hours of work, living conditions in teacherages, and demands on teachers for extra work by the community have been the subject of more comment than change.

Perhaps more marked improvements have been made in teacher superannuation systems after 1939 than in any other respect. All of the provinces have some form of teacher superannuation system in operation, and several have recently amended their systems to provide more liberal benefits. One development in particular deserves mention. British Columbia in 1941 replaced her pension plan of 1928. Under this new plan a minimum of 4 per cent of salary is paid by each teacher into a fund to purchase an annuity pension. All teachers receive also a government pension after twenty years' service which amounted to $30 per month at the end of 1946, with $1 per month added for each extra year of service thereafter. Thus there is a double return to the retired teacher, a pension financed by the provincial government and an annuity financed by the teachers' contributions. Saskatchewan borrowed the main features of the British Columbia system. In 1945-1946 the Manitoba Teachers' Society, the Alberta Teachers' Association, and the Ontario Teachers' Federation urged the adoption of service annuity plans similar to those which had been put into effect in British Columbia and Saskatchewan.[38]

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[35] Montreal *Gazette*, Aug. 29, 1946, p. 1; cf. C.T.F., *News Letter*, Feb., 1947, p. 6.

[36] Mimeographed table prepared by the Secretary of the C.T.F., August, 1946. Active steps were taken in 1946 through loans and scholarships, remission of fees, etc., in such provinces as Manitoba and British Columbia to encourage normal school enrollment.

[37] See *Summary of Provincial Reports*, pp. 4-5.

The systems in operation in the nine provinces in 1946 were all contributory, with the teachers' contributions ranging from 2.3 per cent in the case of certain salaries in New Brunswick and 2.5 per cent in Prince Edward Island to a maximum of 5 per cent in certain cases in Quebec and New Brunswick. The deductions were 4 per cent in four provinces.[39] School-board contributions in the provinces of Alberta and British Columbia and provincial contributions in most of the provinces for pension purposes were provided. The retirement ages, subject to certain conditions, ranged from 55 years for women in New Brunswick, to 65 years for men in Ontario and British Columbia, and to 65 years for both men and women in Alberta.

The pension basis was different in every province.[40] For example, it was three fifths of the average salary for the last five years after thirty-five years of service in New Brunswick. In Alberta there was provision for a maximum payment of $35 per month after service of twenty-five years.[41] The maximum payments possible for persons whose annual salary average was $3,000 per year ranged from $420 per year in Alberta to $1,500 in Ontario and $2,100 in Quebec. One of the most generous pension fund arrangements was found in Quebec, where retiring teachers were entitled to 2 per cent of the average salaries for the highest ten years of salary, multiplied by the number of years' service up to a maximum of thirty-five years. Women contributed 3 per cent and men 5 per cent of their annual salaries to the pension fund.[42]

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[38] *Report on Superannuation Presented to the Canadian Teachers' Federation Conference at Ottawa, 1946* (mimeographed). There was some increase in the B. C. government pension after 1946. A combined service pension and annuity system was provided in Manitoba, effective on July 1, 1948.

[39] *ATA Magazine*, XXVII (Jan., 1947), 32-33.

[40] See table in Institute of Local Government, *Canadian Municipal Pension Plans* (Kingston, 1946), p. 27.

[41] Alberta Post-War Reconstruction Committee, *Report of the Subcommittee on Education*, March, 1945, p. 8.

The years 1947-1948 have witnessed some improvements in the pension systems, especially in New Brunswick, Manitoba, and Alberta. Despite these changes and improvements the pension payments are still very low in some of the provinces. Some of them provide a source of continued irritation for many Canadian teachers who are seeking various improvements at each legislative session.[43]

PROFESSIONAL ASSOCIATIONS AND TEACHERS' UNIONS

Each of the provinces has a single teachers' federation with the exception of Quebec, which has three. One of these, the Provincial Association of Protestant Teachers, is the oldest teachers' provincial professional organization in Canada. It represents the Protestant teachers of Quebec. Another acts for the English-speaking Catholic teachers, and the third represents the French-speaking Catholic teachers. The first two mentioned Quebec organizations, which include not over 20 per cent of the teachers in that province, and the teachers' federations of each of the other eight provinces are now members of the C.T.F. The Catholic Federation of English-speaking Teachers was represented for the first time in 1946 at the annual meeting of the C.T.F.

The organization in Quebec of French-speaking Catholic Teachers, the Corporation Générale des Instituteurs et Institutrices de la Province, had 10,399 members in 1946. This organization under aggressive leadership suddenly became the center of a sharp controversy in that year. The growing competition between the French-speaking group of rural Catholic teachers and the members of the religious orders flared into the open for the first time at a meeting of the General Council of the Corporation. According to newspaper reports, some of which were charged with sensationalism, the religious orders were accused of allowing the pioneer work in rural areas to be done by the lay teachers and of "moving in" when the rural schools had been firmly established. The rural Catholic school commissions welcomed this competition because of possible financial savings.[44]

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[42] W. P. Percival, *Across the Years* (Montreal, 1946), pp. 169 ff.

[43] On the statutory changes in 1947-1948, see *Minutes of the Twenty-Seventh Conference of the Canadian Teachers' Federation* (August 7-9, 1948), pp. 14-18.

Despite the changes which increasing industrialization is bringing in certain sections of Quebec, there has been no evidence of a move for national affiliation by the Corporation with the C.T.F., largely because of the lack of interest in a national organization which represents fundamentally different educational ideas and philosophies and, in part, because of the newness of the organization of French-speaking Catholic teachers and the expense involved in affiliation. The Catholic hierarchy, which will ultimately pass on any question of affiliation, will look with extreme suspicion on any move or organization which will restrict the jurisdiction of the provinces in the field of education.[45]

In 1946 the C.T.F., which had its first official conference in 1920, claimed a membership through its affiliates of 51,738 "paid up" members. Of this number 24,094 were in the Province of Ontario. The C.T.F. is an agency which is stressing a national outlook and the need for greater unity among the provincial teachers' federations; it is the chief spokesman for the teachers in their efforts to raise the standards of education and to improve their social, political, and economic status. The primary organ of the C.T.F. is the annual conference, which has consisted of three delegates from each province, including Quebec, together with the officers of the C.T.F. *ex officio*. The delegates are usually the officers of the provincial federations.

In 1946 the C.T.F. applied for incorporation under the Dominion Companies Act, 1934. The constitution which was drawn up in the same year in anticipation of national incorporation made a few changes in the system of equal representation of the provinces, chiefly dictated by the hope of the ultimate inclusion of the French-speaking Catholic teachers of Quebec. In 1947 the organization was further solidified when provision was made for a full-time secretary-treasurer and staff.[46] The C.T.F. rejected in 1946 an invitation to affiliate with the C.E.A., but it did agree to name one of its members to the Board of Directors of the C.E.A. at a later date.[47] Despite the different purposes of the C.T.F. and the C.E.A., their relationships are cordial.

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[44] Montreal *Gazette*, Aug. 29, 1946, p. 1.

[45] For an explanation of this point of view, see Wade, *The French Canadian Outlook*, especially chap. 6.

One trend which has gained some momentum in the war years has been a move toward requiring compulsory membership in provincial teachers' associations. Prior to 1944 such compulsory membership had been stipulated in Saskatchewan, Alberta, Manitoba, and New Brunswick. In 1944 Ontario and Prince Edward Island were added. In 1947 British Columbia followed, and other provinces were considering the enactment of legislation. Most of the provinces with compulsory membership have "write-out" or escape clauses operative under special time limitations and other conditions,[48] but little use seems to have been made of these clauses by teachers. There is still debate in teacher circles over the relative advantages of such membership, the arguments of larger membership and more adequate financial resources being countered by the fear of undesirable legal regulation.

Moves on the part of the teachers' federations to affiliate with trade union organizations have been made in most of the provinces,[49] but actual affiliation has resulted in only one. The Saskatchewan Teachers' Association Council favored affiliation in 1942 and arranged for submitting the question to a referendum. The referendum was postponed for local reasons and was never held. In British Columbia, after considerable discussion and agitation over a period of time, the British Columbia Teachers' Federation affiliated in 1944 with the British Columbia Trades and Labor Congress Federation. One of the delegates from British Columbia to the C.T.F. convention in 1946 also represented the British Columbia Trades and Labor Congress Federation at the annual national convention of the Trades and Labor Congress.[50] At the end of 1946 there seemed to be continued interest but no particular move for affiliation except in one or two of the larger cities,[51] though the British Columbia representatives attribute certain of their "educational reforms" in British Columbia to the more effective mass support which organized labor has given teachers' demands.

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[46] *Minutes of the Twenty-sixth Conference of the C.T.F.*, Aug. 11-15, 1947, p. 29.

[47] The C.E.A. considers itself to be a "voluntary non-governmental agency interested in encouraging research and in the dissemination of information." It is financially supported by the Education Departments in the nine provinces and Newfoundland. The new constitution is included in *Canadian Education*, II (No. 1, 1946), 5-10.

[48] See, for example in the case of British Columbia, *B. C. Teacher*, XXVI (May-June, 1947), 332-334.

[49] [Research Committee of M.T.S.], "Affiliation with Labor," *Manitoba Teacher*, XXIII (March-April, 1945), 31 ff.; Montreal *Gazette*, April 18, 1947, p. 8.

Spurred on by economic necessities, the teachers of Canada have become more vocal. The 1946 and 1947 reports of the Policy Committee of the C.T.F. suggested a less timorous policy than formerly in formulating economic and political demands.[52] The teachers' organizations both on the Dominion and provincial levels are being strengthened and developed. New contacts with trade union organizations have appeared, and there is increased stress on greater equality of political rights and participation of teachers as municipal, provincial, and Dominion office holders.[53] Despite an early strike called among the teachers in Victoria, B. C., in 1916 and an abortive attempt in Moose Jaw, Saskatchewan, several years ago, no serious organized movement of this type materialized up to 1948. At the same time, teacher strikes in the United States have not gone unnoticed, and there has been a restiveness among certain teacher groups, especially in Montreal.[54]

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[50] See *Report of the Standing Committee on Education of the Trades and Labor Congress of Canada* (1946). This committee of which one of these delegates served as chairman, strongly endorsed certain of the policies agreed upon by the C.T.F. at its annual convention held shortly before that of the Trades and Labor Congress.

[51] On the action of the Toronto Public School Teachers' Association early in 1947, see the Montreal *Gazette*, Feb. 17, 1947, p. 7.

[52] The writer was permitted to sit with the Policy Committee during its deliberations at the C.T.F. meeting in 1946.

[53] Cf. *A Brief Presented to the Royal Commission on Education* (Ontario), p. 27. After similar action by the C.T.F. in 1946, the following resolution was adopted by the C.E.A.: "Be it resolved: That we support the principle that the fact of being a teacher shall not prevent one from serving or seeking to serve on any municipal, provincial, or federal elective body (his own school board excepted) and further that following his term of office his return to his former teaching position shall be in no way prejudiced" (*Canadian Education*, II [No. 1, 1946], p. 34).

POSTWAR DEMOBILIZATION

The postwar period has witnessed few employment difficulties for the returning teacher who was absent on war service. Indeed, the chief problem has been to encourage the veterans to accept the positions which were guaranteed them under the Rehabilitation Act. The generally accepted rule was that time spent in active service should be counted as time spent in active teaching for purposes of determining seniority for promotions and pensions.[55] Beyond this general rule, the policy of the provinces has varied somewhat.

Practically any of the developments affecting the future of education in Canada have some important bearing on the future status of the school teacher. This fact was fully recognized in the previously mentioned *Report of the Survey Committee* and in other studies of the C.E.A. designed for the postwar period. Various steps were taken in each of the provinces to plan for the period of demobilization. In some cases special agencies such as the Royal Commission on Education in Ontario and the Subcommittee on Education of the Alberta Post-War Reconstruction Committee were created for this purpose. In other cases the provincial departments of education or legislative committees[56] made special surveys and studies. In all of these studies and reports proposals were presented for making teaching a more attractive profession by providing greater security of tenure, increased salaries and promotional opportunities, better working and living conditions, more adequate equipment, more effective placement arrangements, and provisions for in-service training.

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[54] There was a threat of a teacher strike in Montreal in 1945. A report of the strike of 1,700 Catholic lay teachers in the same city in Jan., 1949, mentioned as "the first of its kind in the city's history," was noted as this book was at the page proof stage. The strike, which was called despite Premier Duplessis's characterization of it as "illegal, irresponsible, exceedingly unfortunate and regrettable," lasted for one week (Montreal *Gazette*, Jan. 14, 1949, p. 1; Jan. 25, 1949, pp. 8, 11). For an account of trade unionism among public-school teachers in the United States, see Spero, *Government as Employer*, chap. 13.

[55] A typical set of provisions is contained in the regulations of the Council of Public Instruction of Nova Scotia, *Journal of Education*, May, 1945, p. 522.

[56] See, for example, the *Report of the Special Select Committee of the Manitoba Legislative Assembly on Education* (Winnipeg, 1945), pp. 51-54.

How far these programs will be implemented remains to be seen. They have been begun at a time when the financial conditions in the provinces were distinctly favorable. Nevertheless, the heavy dependence upon local sources of revenue has meant that some Dominion support will be necessary if a "more equal standard of education" in all provinces is to be provided.[57] It was for this reason that most of the teachers' organizations looked with concern on the failure of the Dominion-Provincial Conference in 1945.

In view of the special problems which are posed by Ontario and Quebec, there has been a conviction among many teachers that general grants to the provinces will be easier to obtain in the future than direct federal subsidies earmarked for public-school education. These general grants would presumably permit the allocation of larger sums from the provincial revenues for educational purposes.[58] However, the C.T.F. at its convention in 1947 adopted unanimously a program of "Federal grants to each province, earmarked for education on a uniform per pupil capita basis."[59]

CONCLUSION

It is difficult to add up the profit and loss sides of the ledger from 1939 to 1947 because of the many imponderables. The short-range effects of the war on Canadian schools have been succinctly characterized as "streamlined administration, increased expenditure and decline in quality."[60] The last-mentioned trend, the most serious of the war, has been only partially stemmed by such wartime gains as improved superannuation systems and increased salaries in the provinces. There is no method of weighing the long-range effects of a growing public awareness of the "teacher problem," of the increasing unity and activity among the teachers' organizations, or of the heritage of Dominion wartime participation in educational matters. On the whole, however, the picture is still not a bright one, and the halting postwar steps which have been taken thus far to improve conditions have not yet completely reversed the trend toward comparative loss in economic status and social prestige of teachers.[61]

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[57] Dr. Otto Miller, President of the C.T.F. in 1945-1946, stated that the Dominion Government "must enter the education field because municipalities are unable to raise the required amount and because the wealth of the provinces varies." Cf. the remarks of Acting Prime Minister St. Laurent on this subject at his appearance before the C.T.F. Convention in 1946 (Ottawa *Evening Journal*, Aug. 13, 1946, p. 1).

[58] This point of view is essentially that of the Royal Commission on Dominion-Provincial Relations. See *Report*, II, 51, 125 ff.

[59] Based upon recommendations in the Memorandum of the B.C. Teachers' Federation, *Federal Aid for Education* (mimeographed, 1947).

[60] A. S. Mowat, "Effects of the War on Canadian Schools," *Public Affairs*, IX (Sept., 1946), 251.

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[61] See D. C. Munroe, past president of the C.T.F., in Montreal *Gazette*, Jan. 25, 1949, p. 11.

· XI ·

Conclusion

ANY CONCLUSIONS regarding Canadian public personnel administration after 1939 must recognize that the major developments have had their roots in earlier periods of history. Furthermore, generalizations covering both Dominion and provincial personnel are hazardous because of the many differences in the status of the public employees at these two separate levels. Nevertheless, some of the main wartime and postwar personnel trends and problems in the public service permit of final summarization.

WARTIME TRENDS AND PROBLEMS

The major wartime personnel developments in Canada duplicated the experience of other countries at war. In this connection Leonard D. White commented in a recent essay as follows:

> The behavior of any public service is remarkably similar under emergency conditions, whether American or English, Canadian or Russian. . . . The peace-time forms of all great public services are fundamentally alike, and it is not surprising that under similar conditions of stress and strain their adaptations should resemble one another.[1]

The crisis situation at the national level in Canada, as in the United States, was characterized by the factor of *urgency* and the overriding considerations of emergency demands; by the factor of *scarcity* and the necessity of seeking an increasing number of skilled persons in a contracting labor market; and by the factor of *expansion* which was a resultant of the needs of the military machine.

The consequences and results of the presence of these factors were several. There was a dilution of the public services by partially trained and untrained personnel. With the increasing demands made by the military services and by private industry, a sharp competition for manpower developed and continued long after the end of hostilities. Conditions necessitating rapid organizational adaptations resulted in a condition of instability which prevented the operation of settled administrative practices and procedures. The need for speedy action brought to the fore those who could simplify procedures and who could secure action at the expense of red tape. The net result, though unevenly exhibited in the separate departments and agencies, was a general deterioration of standards and a decline in the quality of individual performance.

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[1] *Civil Service in Wartime*, pp. 2-3; cf. Gladys M. Kammerer, "An Evaluation of Wartime Personnel Administration," *Journal of Politics*, X (Feb., 1948), 49-72.

These conditions which obtained at the national level were duplicated only in part in the provinces, where the sense of urgency of services in wartime was less evident, where more of an atmosphere of normalcy was retained, and where the services did not undergo wartime expansion. At the same time the competition in the labor market was as keenly felt, and the provincial services suffered unevenly from a heavy deterioration in the quality and performance of personnel.

The multiplication of the numerous wartime industrial undertakings of the federal government and, also to a limited extent, of the provincial governments brought into being new types of public-legal relationships between the government and certain groups of its employees. The status of the employees in these new enterprises, which were often placed under crown companies or corporations, fell somewhere between that of an employee in private industry and that of a member of the classified civil service. They shaded the sharp lines which at one time could be drawn between the positions of private and public employees.

Several types of professional employees acquired a high prestige in wartime. The examples of the physicists, the engineers, and the chemists might be cited. Among the social scientists a special position was secured by the economists, whose rise in importance during the years before the war had already been a subject of comment. As Professor H. A. Innis once observed:

> The voice of the economist is heard throughout the land. In every investigation economists of quality and quantity have contributed substantially either by giving evidence or by stuffing the shirts of their betters, i.e., writing the final reports. The rise of economists has been an important practical trend of the post-war years. They have captured crucial positions in the civil service, especially with the Bank of Canada, and the discussion of the problems of Canadian recovery has taken on the air of rational calculation. . . . A new religion has emerged.[2]

The economists among the senior civil servants were particularly in evidence after 1939 in that small group of officials who were heavily concentrated in the agencies reporting to Parliament through Finance Minister Ilsley. The outstanding leader of this group was Deputy Minister of Finance Clark, a capable and determined official who had been appointed to office in 1933. Closely associated with him was Graham F. Towers, the cool-headed Governor of the Bank of Canada since its creation in 1935, and Donald Gordon, the Deputy Governor of the Bank of Canada, who, while on leave, placed his unusual capacities as an administrator and propagandist at the disposal of the Wartime Prices and Trade Board.

Against a background provided by Finance Minister Ilsley (whose wartime role can be easily underestimated), Dr. Clark was at the center of a small coterie of deputy ministers and of permanent and temporary senior "civil servants" and officials, mostly economists, who constituted the inner spring of the governmental mechanism in Canada and largely determined its economic policies from 1939 to 1945. Included in this group from time to time were Bryce, Eaton, Deutsch, and Sharp, now of the Department of Finance; Rasminsky, Skelton, and Beattie, now of the Bank of Canada; Mackenzie, now of the Department of Trade and Commerce; and others. A number of other senior officials were brought in for special service from private business or from the universities and fitted into these ranks. For example Gibson and Taylor were members of the Wartime Prices and Trade Board. In addition there were frequent contacts with such men as Robertson, of the Department of External Affairs; Heeney, Clerk of the Privy Council; and Pickersgill, of the Prime Minister's Office. Dean W. A. Mackintosh of Queens University, who served in various capacities, including a period as Acting Deputy Minister of Finance, was the leading economic theorist of the group.

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[2] "Economic Trends," in Chester Martin (ed.), *Canada in Peace and War* (Toronto, 1941), p. 60.

It is not easy to explain just what held these members together. They certainly represented in no sense a cabal or even a well-organized group with fixed membership. A number of these officials, it is true, were included in the Advisory Committee on Economic Policy set up by the Governor in Council under the chairmanship of the Deputy Minister of Finance in 1939. They were mildly nationalistic and had a liking for the public service. They had a common university background and an academic overtone which fitted into the tradition established by Dr. O. D. Skelton, former Under-Secretary of External Affairs. A noticeable percentage of this group had been Rhodes Scholars, and most of them had traveled extensively. Several of them had come into the public service via the Bank of Canada, where the salary level for the higher officials may have been an initial inducement. The continued attractions of the public service, as one of this group expressed it, consisted chiefly in the "excitement, the spirit of accomplishment and the satisfaction of being at the center of things." These men met together socially and kept in frequent official contact in Ottawa, where contacts are easy to maintain.

Their relationships permitted of frank discussions and differences of opinion where departmental outlooks were ignored. Though there were frequent disagreements, some of them over basic matters, most of the members of this group might be classed as Keynesian in their economic views. They were consequently not averse to "planning" and to the extension of governmental controls when considered necessary. The overall price ceiling, which was originally advocated by Towers, and the family allowance system, which was later initiated by Clark, illustrate vital public policies which emanated from this source.

The members of this group were firm believers in the need for a class of employees in Canada modeled after the administrative class in Great Britain. They threw their support as individuals back of the recommendations of the Gordon Commission of 1946. In fact, it has been suggested that these Canadian officials constituted themselves the Canadian counterpart of an administrative class. It is true that there were wide differences between their status and that of the members of the administrative class in Britain, particularly in the method of selection. Nevertheless, the role which was played by the permanent members of this group of public officials with their considerable academic attainments would furnish the basis for some interesting comparisons.

There is still considerable criticism in Canada of the "experts" and of the "brains trust."[3] The proposals of the Dominion Government at the Dominion-Provincial conferences in 1945-1946 were attacked in some circles as being too highly academic and impractical. Nevertheless, the role played by these highly trained men in the administration of the complex wartime services has proved their value without any question. The departments of External Affairs and Finance paved the way in Canada for this appreciation of the academician and expert, and their experience has been noted with growing sympathy and interest in many other departments in Ottawa.

The civil servant associations in both the Dominion and the provinces increased rapidly in numerical strength after 1939, and this rapid growth was continued during the postwar period. There was no wartime instance of a civil servant strike; and the associations exercised their limited influence in regularized ways on administrative and legislative bodies, albeit by new methods in some cases. There was little growth in class consciousness among the members, though more closely knit organizations and a more aggressive type of leadership were developing among some of the federal and provincial unions. The creation of the joint councils and the revival of certain other organs indicated a halting official willingness to provide the associations with recognized representative functions. Though growing slowly, the role played by these associations remained a restricted one.

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[3] Note Mr. Drew's references to the role of the "brains trust," a "small detached group of men without responsibility to anyone" (Ottawa *Evening Citizen*, Oct. 4, 1948).

POSTWAR TRENDS AND PROBLEMS

The period since the end of hostilities has witnessed the gradual return of the federal personnel to their prewar legal status through the elimination of the emergency personnel system. By the end of 1947 the contraction of wartime services had been largely completed. At the end of the period of hostilities the provinces, which did not adopt emergency personnel systems after 1939, could again expand their provincial activities which had been curtailed. The postwar period has consequently been marked by the general contraction of many, though by no means all, federal services and a corresponding reduction in federal personnel. Contrariwise it has been marked by the expansion of the provincial services and the increase in provincial personnel. These expanded services include those agencies through which flows the growing amount of provincial supervision over and financial aid to the public-school system.

During the war there were some new working relationships between federal and provincial personnel and some transfers of provincial employees to Dominion jurisdiction. Some of these transfers proved to be permanent, as in the case of provincial employees who were blanketed under the Unemployment Insurance Commission after 1940. In other instances there has been a return by the federal authorities of the loaned officials to the original provincial jurisdictions. One residue of these Dominion-Provincial wartime personnel arrangements is found in the provisions made by the provincial governments to cover the superannuation rights of employees on temporary loan to federal agencies. Some closer working relationships have evolved between officials of the civil service commissions in the Dominion and in the provinces through professional associations and through the advisory role of federal officials at provincial request. On the whole, however, the pre-1939 separation of federal and provincial personnel administrative services has been retained.

Since wartime restrictions in the Dominion and self-imposed restraints in the provinces have been removed, there have been tardy increases in the compensation of public employees in all jurisdictions. These increases have in almost all instances lagged behind the rise in the cost-of-living index. The employee agitation for the reclassification of positions, which has been in progress in the Dominion and in the provinces, has been closely related to the demands for added compensation. Considerable regional differentiations in average salaries in the provinces have continued to exist, whereas the Dominion government has retained its rigid policy of uniform pay across Canada.[4]

Though there have been some recent changes in the types of examinations for federal positions, the examination system as a whole has continued to emphasize the technical knowledge of applicants for specific positions. The fourth-grade clerkships in the 1930's and the more recent junior administrative class positions in the Dominion have permitted efforts to broaden the examination requirements. The injection of large numbers of employees from all walks of life into the public services during the war has had some modifying effect on Dominion recruiting techniques. The methods of recruiting in the provinces have continued to vary widely, but the examinations, whether written or oral, and the recruiting procedures, whether formal or informal, place a heavy stress upon technical information and knowledge for the job at hand. In this respect Canada has followed American more than British precedents.[5]

The appeal of the public service to young persons of ability has apparently continued to grow since 1939. The comparative attractiveness of the provincial services has remained consistently lower than that of the federal service. During the past years the appeal of private business has greatly overshadowed that of these public services in Canada, which have lacked the established traditions found in Britain. The depression in the 1930's resulted in a necessary increase in the functions of the state, while opportunities in private industry were being restricted. The depression served as a result to provide a better balance in the relative attractiveness of public and private employment. The wartime experience of many employees and the improved opportunities for university graduates in the expanded governmental services also served to whet the appetites of some participants. The result has been an increased willingness to enlist in the employ of the Dominion Government, especially at the higher levels, for reasons other than the attraction which fixed compensation, security of tenure, and guaranteed pensions offer. Nevertheless, the best talent in Canada is still not being generally attracted into most of the public services, though allowance must be made for such outstanding exceptions as the Dominion departments of External Affairs and Finance and the National Research Council.

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[4] Excepting special arrangements, such as those made for employees in the Yukon and Northwest territories, etc.

[5] Brady, *Democracy in the Dominions*, p. 82.

This shifting attitude towards the career possibilities of government service since 1930 is in part a reflection of changing public reactions towards the role of government in Canada. The terms "bureaucracy" and "bureaucrat" still serve, especially in conservative quarters, as symbols for such various things as the centralization of authority, the irresponsible exercise of power, and padded payrolls which are "all wrapped up in a neat little bundle and tied with red tape."[6] There is also continued widespread skepticism of the grasping and insolent qualities of "bureaucrats," who either accomplish too much or too little, and who act too speedily or too slowly, while feeding on the public payroll.[7] At the same time there has been a growing tendency to furnish a public defense for the "bureaucrat." Justice Minister Ilsley echoed the sentiments of many other members of the Liberal party when he said that "a great many men, who are great public servants and who have rendered magnificent service to this country, are abused on the grounds that they are bureaucrats."[8] Mr. Coldwell and various members of the C.C.F. party have frequently expressed themselves more vigorously along similar lines. This greater appreciation of the role and of the value of the work of the public employee is an indication, often a grudging one, of the increasing acceptance of the necessity for greater governmental control. Its effect is to remove some of the psychological barriers which have discouraged interest among potential recruits for those governmental services providing these added controls.

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[6] Commons, *Debates*, July 4, 1940, p. 1328; cf. March 7, 1947, p. 1144.

[7] See Thurman Arnold, *Symbols of Government* (New Haven, 1935), chap. 9.

[8] Commons, *Debates*, March 24, 1947, p. 1784. On the attitude of the Canadian Bar, see "Administrative Law and the Canadian Bar Association," *Canadian Bar Review*, XXVI (Nov., 1948), 1344-1345.

The conditions of wartime instability make it unwise to generalize too broadly about the accomplishments in Canadian personnel administration after 1939. The provinces from 1939 to 1945 generally "marked time," although in Saskatchewan, British Columbia, and other places there was generated a ferment which has resulted in considerable postwar improvements in personnel organization and administration. In the Dominion, political patronage remained as an ever-present but not the dominant consideration from 1939 to 1947. Some steps in the introduction of new classification techniques, efficiency ratings, in-service training programs, and employee representation schemes were begun. To supervise these tasks, however, there were relatively few trained administrative officials in Canada, for the study of public administration has still to win its spurs in Canadian universities or to gain acceptance in public quarters. Comparatively speaking, the Canadian political mores together with a healthy concern with this problem have kept patronage below the level prevailing in either the federal or state governments in the United States. At the same time the Canadian standards of performance in such technical matters as classification and in-service training fall considerably below acceptable American standards.

The problem of personnel administration cannot be segregated from other administrative problems. In Canada there has been in the past a continued lack of serious concern over the principles of sound departmental administrative organization. Where reorganizations have been made, they have been piecemeal in character.[9] The period after 1939 saw little change in this respect. Canada has provided Royal and Par-

[9] Clokie, *Government and Politics*, pp. 174-176.

liamentary commissions for investigating many other governmental problems within recent years. However, no commission has been created to examine the basic features of the administrative organization. If such a commission were created, it would note today that several of the large departments in Ottawa, including those of Finance, Agriculture, and Mines and Resources, still exhibit the essential features of their house-that-Jack-built construction. The expansion of the functions of these and other departments after 1939 without any corresponding simplification of organization has complicated rather than improved matters. The organizational bases for sound personnel systems in the departments have consequently been largely lacking in Ottawa.

The basic problem of control of the federal personnel has centered around the evolving relationships of the Civil Service Commission and the Treasury Board. The Report of the Gordon Commission, despite the questions which may be raised regarding its creation and its procedure, outlined clearly the difficulties of dual control. Influenced heavily by British precedents, the Gordon Commission advocated a transfer of considerable statutory authority from the Commission to the Treasury Board. Despite the reasons which have been presented to justify this transfer,[10] there are compelling objections to it. Among these has been the negative attitude of the Treasury Board and its staff toward change and reform involving public expenditures.[11] Most constructive personnel changes in the past have emanated from the Civil Service Commission, Parliamentary investigating commissions, or the staff associations—in any case, from sources outside the Treasury Board. At the same time, the Civil Service Commission has gone far in achieving the purpose for which it was originally established as an independent agency, namely to keep out the spoilsman. The problem of patronage is still a sufficient problem, however, to justify opposition to weakening the Commission's position as proposed in the Gordon *Report.*[12]

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[10] Though the setting is not comparable, some of the same justifications presented in the *Report of the President's Committee on Administrative Management* (Washington, 1937) for converting the Civil Service Commission of the United States into a central personnel managerial agency, headed by a single administrator and placed directly under the President, could be used to justify the recommendations of the Gordon Commission. Cf. the Commission on Organization of the Executive Branch of the Government, *Personnel Management*, pp. 9-10, and the "Additional Views of Commissioner Pollock," pp. 48-55.

[11] For criticisms of Treasury control in Britain, see J. Donald Kingsley, *Representative Bureaucracy* (Yellow Springs, Ohio, 1944), pp. 258-259.

Despite postwar improvements in its organization and procedures, the Civil Service Commission might take heed of the continued criticism that its methods of expanding and contracting staffs, especially during periods of crisis, have been cumbersome and slow, that its controls have been too highly centralized and concentrated, that its staff has not been adequate for the performance of its broad functions, and that it continues to place a disproportionate emphasis upon control as distinguished from service functions. Closer working official relationships with the Treasury Board would, of course, be desirable. The relations between the Public Service Commission and the Treasury Board in the Union of South Africa indicate that satisfactory and effective working relationships between these two types of agencies can be maintained where there is a joint willingness to co-operate.

In the provinces the question of control has not centered on the relationships of a Treasury Board and Civil Service Commission but rather on the relationships of the Civil Service Commission and departmental heads. The heavy residue of patronage in several of the provinces justifies an acceleration of the present gradual trend towards the strengthening of the commissions as outside control agencies. The gradual, but sporadic, advances made in the adoption of merit system principles in the provinces since 1939 must, however, be read in the light of the economic prosperity of the provinces as well as of these institutional developments.

Much might be written on the subject of the representative and responsible character of the Canadian public employees. These employees are representative in the sense that they constitute a fairly good cross-section of the Canadian people.[13] They have not been confined to a single class or creed, and they have not been a class-conscious or a power-hungry elite. Indeed, in contrast to the British service which has in the past been occasionally attacked as being "a sheltered, vocational preserve," the Canadian service is "open to the charge of being too close to the social market-place, too little fostered as an aristocracy of talent, too much as easy refuge, especially in the past for miscellaneous and ordinary men who failed to establish it on a strong professional basis."[14]

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[12] Contrary views may be found in J. A. Corry, *Elements of Democratic Government* (New York, 1947), pp. 354-357 and Dawson, *The Government of Canada.*

The Canadian bureaucracy has remained responsible in the sense that its members have accepted the major economic and political premises upon which a liberal democratic parliamentary system is based. The impartiality of the civil servants in their relations with the public and with changing governments has been maintained within the framework of these common assumptions. For this reason there has been no serious question on the part of the party leaders now in the Canadian House of Commons, including those of the C.C.F. party, as to the adaptability of the higher civil servants for the attainment of the objectives of new governments, when changes occur.[15] For this same reason the political loyalties of the public employees in Canada are not open to attack, despite the revelations involving an isolated and exceptional case or two in the spy disclosures of 1946. The effects of an industrialized economy and other changes in Canada upon the public employees in the future will have to be assessed at that time. At present there is more real basic ideological unity in Canada, both outside and inside the public service, than most Canadians themselves realize and appreciate.

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[13] As indicated in the Preface, there has been no serious sociological study of the background of the Canadian public employees, or of the significance of religious (outside of the French-Canadian aspects), regional, and other factors affecting their official relationships.

[14] Brady, *Democracy in the Dominions*, p. 82.

[15] This question was discussed by the writer with certain members of the House of Commons, including Mr. Coldwell, the C.C.F. Leader. However, the past willingness of several public officials such as Donald Gordon, when Chairman of the Wartime Prices and Trade Board, and L. B. Pearson, former Under-Secretary of State for External Affairs, to act as spokesmen on policy questions has been the subject of critical comment. Referring to such spokesmen, one of Canada's ablest journalists has remarked: "If the policies they advocate are voted down, and a Government is elected to carry out some conflicting policies they will have to go, because they cannot be expected to carry out impartially policies against which they have gone on record. Our civil service would thus lose its stability and continuity" ("Silent Civil Servants," *Saturday Night*, LXII [July 19, 1947], p. 1). Note the critical comments of Eugene Forsey when Pearson was promoted to the Cabinet in 1948 ("Parliament Is Endangered by Mr. King's Principle," *ibid.* [Oct. 9, 1948], pp. 10-11). See also H. A. Innis, *Political Economy in the Modern State* (Toronto, 1946), p. 249. For a more sympathetic appraisal of this "positive" role of the senior civil servant, see Corry, *Elements of Democratic Government*, pp. 393 ff.

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